

CARI CAPTURES



01 THAILAND SWEEP BY ANTI-GOVERNMENT PROTESTS AND IMPOSES INTERNAL SECURITY ACT

 INDONESIA  THAILAND

Timeline of events in Thailand

 **• CHECKPOINT •**

1 November

Lower house of parliament overwhelmingly passes the controversial political amnesty bill, triggering growing protests.

11 November

Thai Senate rejects Amnesty Bill

24 November

Pressure builds on the government with up to 180,000 people joining opposition protests in Bangkok, according to an estimate by the National Security Council.

25 November

Opposition protesters occupy the finance and foreign ministries. Yingluck imposes the Internal Security Act, a special security law, across the capital, giving extra powers to the police.

26 November

Anti-government demonstrators besiege several more ministries to try to topple the government. Yingluck faces a no-confidence debate in parliament. A court approves an arrest warrant for protest leader Suthep Thaugsuban

27 November

Prime Minister Yingluck Shinawatra survives no-confidence vote.



Demonstrations and riots swept across Thailand as thousands of disgruntled protestors stormed several key ministries across Bangkok including the Finance Ministry and Foreign Ministry raising political tensions across the nation and has led to the government invoking the Internal Security Act (ISA) across the whole of Bangkok and Nonthaburi on November 25.

- ▶ Democrat Party leader Abhisit Vejjajiva accused the government of Prime Minister Yingluck Shinawatra of undermining economic stability through its populist policies as he launched the debate on the opposition's censure motion in the House of Representatives
- ▶ Thai Prime Minister Yingluck Shinawatra countered saying the occupation of government buildings by anti-government protesters threatened the stability of the country
- ▶ The act allows authorities to impose curfews, operate checkpoints, restrict movements of protesters and act fast if rallies get out of hand; enforcing the ISA will strictly follow international standards and no violence will be used against members of the public, the prime minister said

- ▶ Economically, delays in budget disbursement could dampen economic growth in the fourth quarter, as domestic consumption and private investment are sluggish
- ▶ ASEAN is sticking by its own with Indonesian diplomats and business leaders vowing to foster trade and investment relations with Thailand in preparation for the Asean Economic Community (AEC), saying confidence remains high despite escalating political tension
- ▶ The Joint Private Committee on Commerce, Industry and Banking (JCCIB) will hold an emergency meeting on Wednesday to discuss escalating political protests, as business leaders urged government to consider dissolving the House of Representatives.
- ▶ Payungsak Chatsuthipol, chairman of the Federation of Thai Industries (FTI) warned that the occupation of state agencies by protesters is eroding confidence in Thai trade and investment, which will severely damage the economy with the private sector is now concerned that Suvarnabhumi Airport could be seized again

[Bangkok Post \(25 November 2013\)](#)
[Bangkok Post \(28 November 2013\)](#)
[Straits Times \(25 November 2013\)](#)

02 ADB: ASIA SHOULD STRENGTHEN ITS FINANCIAL SYSTEMS & ECONOMIES

INDONESIA

The latest quarterly Asian Bond Monitor report from the Asian Developmental Bank (ADB) urged emerging East Asian economies to use the window of opportunity brought by the delay in US stimulus tapering to strengthen their economies and financial systems.

- ▶ The report warned of Emerging East Asia still being vulnerable to a shift in investor sentiment when the US eventually scales

back its asset purchase program and tackles still-unresolved questions over its government debt ceiling

- ▶ In a proactive move, the ADB has provided US\$400 million of loans to help Indonesia put in place regulations and infrastructure needed to drive faster and more inclusive growth as weak transport connectivity and poor logistics are weighing on growth and the country's ability to reduce regional development

gaps and poverty rates

- ▶ The policy-based loan from the ADB covers the second phase of a program that aims to strengthen regulatory frameworks for transport and logistics, increase investments in the transport sector, boost domestic connectivity and enhance international connectivity by making the country's ports more efficient in handling traffic and trade volumes

- ▶ Also in the mix, the International Finance Corporation, the World Bank's private-sector arm, has signed a US\$75 million deal with Bank Danamon to help support financing for small and medium enterprises; this will be IFC's second loan to Danamon, after it last disbursed US\$150 million also to fund micro-business and SME customers

[Jakarta Globe \(21 November 2013\)](#)
[Jakarta Post \(25, 27 November 2013\)](#)



03 ASEAN TO LAUNCH JOINT MINERAL DATABASE

ASEAN

ASEAN officials have convened in Indonesia to establish a joint mineral database aimed at helping member states develop resource-management policies which will serve as a tool for investors and will help member states regulate supply.

- ▶ With many member states producing the same commodities such as nickel and tin, this consolidated, centralised database will assist member nations to better allocate resources so there are no supply excesses

- ▶ Chairman of the Asean Senior Officials Meeting on Minerals (Asomm) and head of the government's geology agency R. Sukhyar said that the database will be prepared by Indonesia and will help so that where there is a free flow of labor there is no member state which is left behind or dominated by others
- ▶ The database was set to be launched at the end of the three-day meeting on 28 November 2013

[Jakarta Globe \(26 November 2013\)](#)

04 THAILAND, MYANMAR TO HOLD FIRST JOINT COMMISSION MEETING IN OVER A DECADE

THAILAND MYANMAR

Thailand and Myanmar will hold a Joint Commission (JC) meeting to discuss bilateral cooperation which will highlight border development with the aim of increasing Myanmar's capacities and strengthening connectivity between the two neighbours.

- ▶ Thai Foreign Minister Surapong Tovichakchaikul and his Myanmar counterpart Wunna Maung Lwin will co-chair the meeting to be held in Naypyidaw, Myanmar and will

cover a wide range of bilateral cooperation components including capacity building, economic cooperation, social and cultural projects as well as politics and security

- ▶ With the last meeting taking place eleven years ago due to their respective internal problems, Thai Foreign Ministry's Director of East Asia Department, Damrong Kraikruan commented that the next 10 years will be the decade of connectivity between Thailand and Myanmar, as both

sides have agreed to speed up transportation infrastructure development to link the two countries

- ▶ Within three to five years, both countries intend to complete at least two road links from Thailand's Mae Sot to Kawkaeik to Mawlamyine as well as from Kanchanaburi's Three Pagoda pass to Thanbyuzaya to Mawlamyine which, when completed, would facilitate and boost trade and tourism between the two countries
- ▶ Another project under

consideration is Dawei airport, he said, adding that it should be renovated to facilitate air transport between Thailand and the Dawei Special Economic Zone

- ▶ Thailand has agreed to provide more assistance to help increase the capacities of its neighbour in the areas of public health, labour skill and general education, with upgrades to border pass facilities and more permanent checkpoints

[The Nation \(22 November 2013\)](#)

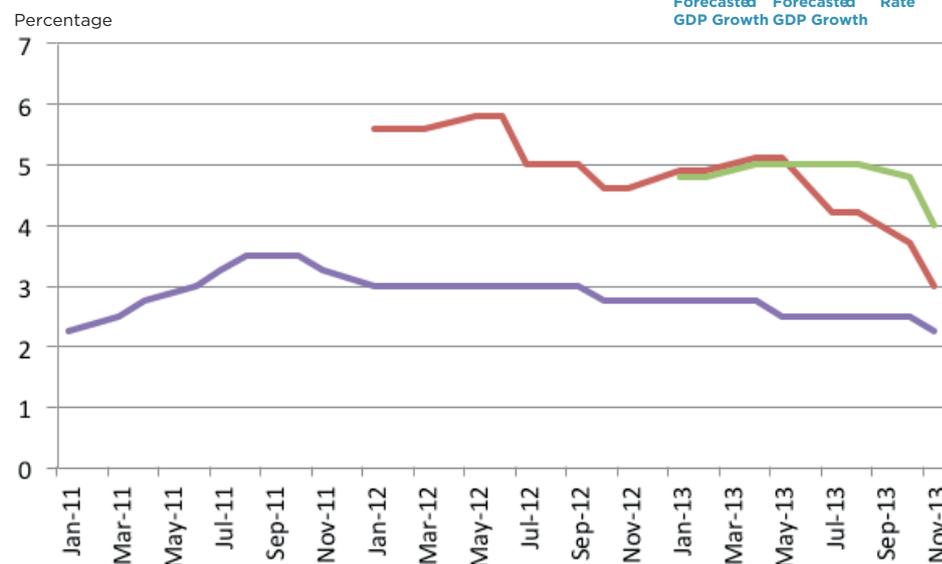
05 MONETARY POLICY COMMITTEE UNEXPECTEDLY SLASHES THAI INTEREST RATES



The Monetary Policy Committee (MPC) of Thailand has unexpectedly slashed interest rates by 25 basis points to 2.25% following rising downside risks to growth, partly triggered by the ongoing political tensions in the nation, in an effort to support the economy and the looming expected scaling down of quantitative easing by the United States.

- ▶ Whilst inflationary pressure has dropped and household debt is growing at a slower pace, the MPC felt that they could use a more flexible monetary policy to help spur economic recovery from the current economic slowdown; the policy rate had been left unchanged since October 2012
- ▶ The MPC also slashed its gross domestic product growth projection for 2013 to 3%, from a previous forecast of 3.7%. Estimated GDP growth for 2014 was also lowered from 4.8% to 4%, said MPC Secretary-General Paibul Kittisrikangwan
- ▶ Money market observers suggested that the MPC cut the key rate to boost the economy and investor confidence since the government would be unable to implement economic stimulus measures until political conflicts are resolved, delaying its infrastructure development and water resources and flood management mega projects
- ▶ This suggestion ran in direct contradiction to the forecast provided by Kasikorn Research Centre of Kasikornbank which said a day before

Bank of Thailand GDP growth and projected GDP growth.



Source: Bank of Thailand

the MPC meeting that it expected the rate to be maintained, this in itself being a more modest take after the IMF advised the Bank of Thailand to raise rates to enhance sustainable economic growth

- ▶ Thailand's stance on interest rates follows its ASEAN's neighbours', neighbours: Indonesia, struggling to rein in its growing current account deficit through a series of interest rate rises, raised the rate from 1.75% to 7.5% in the last six months

[Bangkok Post \(26-28 November 2013\)](#)
[Jakarta Globe \(22 November 2013\)](#)

06 MALAYSIAN EMPLOYERS FEDERATION TO DISCUSS IMPENDING AEC



The Malaysian Employers Federation (MEF) has the impending integration of the ASEAN Economic Community (AEC) scheduled for December 2015 on its agenda, focusing on preparing companies and workers for the freer movement of labour and investments that the AEC will bring, insisting that companies would have to focus on increasing productivity to stay competitive.

- ▶ MEF Executive Director Shamsuddin Bardan has said that the MEF is turning its attention to improve Malaysia's competitiveness ahead of the AEC, claiming the way forward is to automate processes, to be achieved through upskilling the workforce with only 28% of their workers skilled
- ▶ According to Shamsuddin, the MEF is working with the Malaysian government on introducing skill certification as part of a plan to 'professionalise' trade jobs such as plumbing, so as to increase their standards, wages and appeal
- ▶ Employers are also in focus with the MEF aiming to educate them on how they can benefit from the AEC; caution over the full impact of the AEC, among other things, has led to a forecasted lower salary increment next year for both executives and non-executives

[The Edge \(28 November 2013\)](#)

07 VIETNAMESE NPLS SCARE OFF FOREIGN INVESTORS



A recent development in Vietnam's continuing problems with their non-performing loans and bad debt being the entire withdrawal of funds by Singaporean bank Oversea Chinese Banking Corporation (OCBC) in Vietnam Prosperity Bank (VP Bank) as the government continues to battle the problem with the state asset vehicle buying VND18 trillion (US\$853 million) as of 26 November.

- ▶ VP Bank parted with its last remaining foreign strategic shareholder as OCBC sold off all of its shares totalling approximately 85.8 million shares, equivalent to nearly 15% of the banks charter capital; before the transfer of shares, OCBC was the only foreign shareholder and largest shareholder in VP Bank
- ▶ OCBC started its investments in VP Bank back in March 2006 when it bought a 10% stake at nearly 4.5 times over face value, followed in 2008 with a US\$25.5 million investment to raise their stake to 15%
- ▶ This comes as the Vietnam Asset Management Company, the state vehicle to buy up all the NPLs from the nation's banks, is set to buy another VND1.5 trillion (US\$71 million) of bad debts from the Joint Stock Commercial Bank for Investment and Development of Vietnam, taking the total NPLs purchased to VND18 trillion from 21 banks with payment value by special bonds of VND14.7 trillion (US\$697 million)

[Business Times \(28 November 2013\)](#)

08 MYANMAR MONITOR

ECONOMY

▶ The World Bank has begun a survey of more than 1,300 companies to help identify barriers to doing business in Myanmar. The survey will identify the main obstacles to growth for small businesses as well as the main barriers to exports, and determine how productivity and labour costs in Myanmar compare to other countries. The survey of the business environment will involve interviews with almost 1,400 small and large manufacturing and services companies, both domestic and foreign.

[Mizzima \(26 November 2013\)](#)

▶ Myanmar plans to more than double rice shipments, challenging Thailand, Vietnam and Cambodia for sales amid a global glut. Shipments may increase to 2.5 million metric tons in the 2014-2015 fiscal year (April-March) from an estimated 1.8 million tons in the 2013-2014 fiscal year, according to the Ministry of Commerce. According to experts, Myanmar has the capacity to produce more but is limited due to logistics, especially congested port facilities.

[Bloomberg \(28 November 2013\)](#)

▶ Singapore Post (SingPost) announced on 27 November that it has launched remittance services to Myanmar. There are some 150,000 to 200,000 Myanmar nationals in Singapore.

[Mizzima \(28 November 2013\)](#)

FOREIGN AFFAIRS

▶ Aung San Suu Kyi met with Australian Prime Minister Tony Abbott on 28 November as she travels the country to seek support of constitutional changes that would make her eligible to run for president. Suu Kyi also received two honorary doctorate degrees during a ceremony at Sydney's Opera House on 27 November.

[ABC News \(28 November 2013\)](#)

POLITICS

▶ The last member of the "Thirty Comrades," the legendary group that spearheaded Myanmar's struggle against British colonial rule, has died at the age of 91. The Thirty Comrades were led by General Aung San, father of Aung San Suu Kyi.

[The Irrawaddy \(28 November 2013\)](#)

▶ The White House on 13 September said Myanmar had "failed demonstrably" to make significant progress in its drug eradication efforts over the last year. Myanmar was among the 22 countries on the list of "major drug transit and/or major illicit drug producing countries", as Myanmar is the world's second largest opium producer.

[The Irrawaddy \(16 September 2013\)](#)

SECURITY

▶ Myanmar is the third most frequent employer of active landmines in the world, according to Italian Campaign to Ban Landmines (ICBL) reports. Over the past fourteen years, over 3,300 Myanmar citizens have been killed or maimed by landmines.

[Mizzima \(27 November 2013\)](#)

09 THOUSANDS EVACUATE AS INDONESIAN VOLCANO ERUPTS EIGHT TIMES OVERNIGHT

INDONESIA

Mount Sinabung in Western Indonesia erupted eight times in just a few hours raining down rocks and hot ash over a large area, forcing thousands and flee their homes.

▶ The active volcano has been erupting on and off since September, but went into overdrive late Saturday and early Sunday, repeatedly spewing out red-hot ash and rocks up to eight kilometres into the air

▶ According to the national disaster agency, around 12,300 people have fled since the volcano rumbled to life

▶ Local government official Robert Peranginangin observed that "people panicked last night as the eruption was accompanied by a loud thunderous sound and vibrations. Then it started raining down rocks"

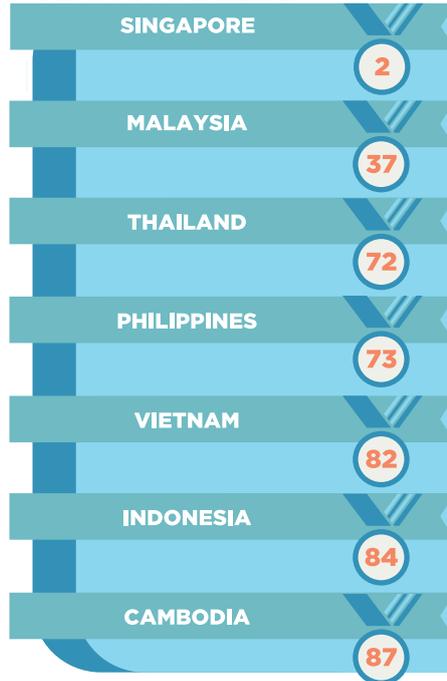
[Straits Times \(24 November 2013\)](#)

10 SINGAPORE RANKED SECOND ON TALENT COMPETITIVENESS

SINGAPORE

Global Talent Competitiveness

ASEAN'S RANKING



GLOBAL TOP 5



French-based business school Insead launched a new index measuring a country's competitiveness in attracting, producing and retaining talent, with Singapore placing second only to Switzerland, being Asia's only representative in the top 20.

▶ The results come as a surprise to many with Asia's next highest-placed countries being Japan (21st), South Korea (28th) and China (47th), leading to calls for cautious optimism about Asia's future talent equation

▶ Being the world's third largest economy, Japan surprised many with their poor placing

as Academic Director for the Global Talent Competitiveness Index at Insead Paul Evans commenting that as compared to Singapore, Japan is much less open with fewer people coming from abroad

▶ Insead's Index tallies with the most recent study by DP Information Group which found that Singapore SMEs seem to have lost their appetite for growth and instead were focusing on internal changes such as cost-cutting and productivity improvements

[Straits Times \(21 November 2013\)](#)

[Bangkok Post \(27 November 2013\)](#)