

BIZ BUZZ

New bank to boost country's tourism

The tourism industry will get a boost after the establishment of a Tourism Development Bank. At the moment, it is awaiting for the Central Bank to grant the permission, according to Than Tin, the managing director of the Myanmar Tourism Bank. "We first expected to get the licence in May. But the licence is yet to be given. We will open the new bank as soon as we gained the permission. The first bank will be open in Nay Pyi Taw and then Mandalay and Yangon," said the managing director.

The proposed development bank will provide loans, technological assistance and communications. The move comes as a result of a high influx of international tourists. The tourism sector showed a profit of US\$1 billion in 2014 which is expected to double this year.

A public company, investor recruitment, selling of shares, organising and participating in tourism-related events, have all been pre-approved by the government. This ambitious project is expected to contribute not only to the tourism industry, but also to other related businesses.

Central Bank to sell dollars to importers

The Central Bank of Myanmar (CBM) has made the decision to sell much-needed dollars to importers through auctions from private banks, a change from the previous situation of only selling dollars to the consumable and oil industries.

The CBM sold over US\$6 million to private banks on July 13 through auction.

A CBM spokesperson said: "Other importers can now purchase dollars through private banks at the CBM's official rate of plus or minus 0.8 per cent, similar to consumable and industrial-oil businesses. The private banks are responsible for submitting the buyer's documents of verification to the CBM in three days and failure to do so will result in a ban from participating in further auctions. The CBM has adjusted the official exchange rate to Ks1,200 due to a big margin of difference compared to the private market in order to avoid multiple exchange rates."

Heineken opens US\$60m brewery

Dutch brewer, Heineken, has opened its first brewery in Myanmar in Hmawbi Township, Yangon region. The company has invested US\$60 million in the plant and employs 2—local people. The plant will brew Heineken beer for the market's premium segment as well as a new local brand called Regal Seven, a lager beer developed specially for the Myanmar market.

The company said the price of Regal Seven would match domestic beers.

"It is an exciting opportunity for Heineken. We are investing in recruitment, training and finding locals to run the business. Our investment is helping to increase economic development in Myanmar," said Heineken's CEO Jean Francois Van Boxmeer.

"We are very glad that the factory is running. It will start making a profit shortly," said Aung Moe Kyaw, chairman of Alliance Brewery Co Ltd, a business partner of Heineken in Myanmar.

Luxury cruise to show 'genuine Myanmar'

Veena Thoopkrajae
THE NATION
Bangkok

CAPITALISING on its iconic status, the Strand Hotel will diversified its business into the high-end cruise market next January.

The hotel's sister ship, the Strand Cruise, is still being built in Myanmar with an investment of US\$10 million and will make its maiden voyage with pre-launch Christmas and New Year trips on the Ayeyawady before its first trip on January 4, according to general manager of the cruise.

Jerome Seban says the company believes that it will break even in the four to five years.

He sees a high demand from high-end travellers who wish to explore Myanmar culture and historic destinations by its waterways.

"Although we are not the first and the only river cruise, we believe we will offer a unique experience."

The vessel will have 27 cabins with floor to ceiling balconies, a swimming pool, sun deck, spa, beauty salon and wellness centre. The décor will reflect the hotel. There will be a butler and guides on board.

"We want to provide our guests with the same standard that they enjoy in our hotel. We aim to give an authentic experience. We want to show our guests the genuine Myanmar," said



Jerome Seban



The Strand Cruise ship

The Strand Cruise

Seban. The three- and four-night trips will travel between Mandalay and

Bagan with eight trips per month planned, except in May and June when the ship will go for maintenance.

The company expects over 2,500 guests in the first year with the United States, France, Germany, the United Kingdom, Australia, Japan and Taiwan seen as the main markets.

The marketing for the new cruises started a year ago.

"We've received good feedback as enquiries have been made only two weeks after our sales started," he said.

Exposure to culture

The cultural dimensions are what the river cruise wants to highlight. In order to let the guests have a memorable experience, the ship will be on the move constantly. "In a four-day tour, guests will be on a bus for only one and a half days," he said.

A lot of work went into the preparatory stages. The company had to survey places that could be used round the year.

The stops must be secure at night and every stop must focus on Myanmar's heritage as well as the connection with the lives of the locals.

The Strand will be in direct competition with the existing cruise "Belmond Road to Mandalay", which has been operating since 1996. The ship also cruises along the Ayeyawaddy River, with a capacity to handle 82 guests per trip.

Myanmar stock market launch delayed until after elections

DEUTSCHE PRESSE AGENTUR

The planned opening of Myanmar's first stock exchange will be delayed for months due to upcoming elections, an official said.

"Yangon Stock Exchange will be opened only after the general election scheduled for November, as everyone will be busy with the election," Deputy Finance Minister Maung Maung Thein said.

The government announced the election schedule last week. The main opposition National League for Democracy, led by Nobel peace laureate Aung San Suu Kyi, announced Saturday that it will participate.

"Actually, we are almost getting

ready for the launch (of the stock exchange), but we decided to postpone it as the election is more important for the country's democratic transition," Maung said.

"Only about five companies will be listed at the beginning of the stock market," he said.

To date, three companies - Asia Green Development Bank, Myanmar Agribusiness Public Corporation and First Myanmar Investment Company - have committed to list on the bourse, according to media reports.

The Myanmar Security Exchange Commission said 57 companies had applied for licences in one of the four categories offered.

Twenty companies bid as underwrit-

ers, two to be dealers, five to be brokers and 30 are seeking to be registered as consultants.

Myanmar's central bank signed a joint venture agreement in September 2013 with Japan Exchange Group and Daiwa Institute of Research, the research arm of Daiwa Securities Group, to set up and run the Yangon Stock Exchange.

Once opened, it will be run by Yangon Stock Exchange Joint Venture Co Ltd, which is 51 per cent owned by MEB - a state-owned bank. Other shareholders are Daiwa Securities, 30.25 per cent; and Japan Exchange Group, 18.75 per cent.

The planned opening was first set in October this year.