

Nvidia Is Planning to Invest in Thailand, Commerce Minister Says

- Nvidia CEO Huang to announce investment during December visit
- Company already pledged investments in Indonesia, Malaysia



Pichai Nariphaphan Source: Thailand Ministry of Commerce

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Nvidia Corp. is set to unveil investment plans for Thailand, joining Alphabet Inc. and Microsoft Corp., as Southeast Asia becomes a hot spot for building AI data centers and manufacturing the components that power them.

The US chip designing firm will announce investments during Chief Executive Officer Jensen Huang's trip to Bangkok in December, Thailand's Commerce Minister Pichai Nariphaphan said on Monday. He declined to give details on the investment or how much the company will bring into Thailand.

The investment by Nvidia could lead to more funding "with related clusters following suit," Pichai told Bloomberg in an interview late Monday.

Clinching Nvidia as an investor in Thailand will be a shot in the arm for Southeast Asia's second-largest economy that's been vying with its neighbors to attract investments from tech giants. Thailand has bagged multibillion dollar investments in recent years from Amazon.com Inc., Google and Microsoft to build data centers and other cloud infrastructure.

A spokesperson for Nvidia didn't reply to an emailed request for comment.

The Santa Clara, California-based company has pledged investments in building AI infrastructure in Indonesia and Malaysia  , and is exploring opportunities in Vietnam  . Nvidia's chips are manufactured by Taiwan Semiconductor Manufacturing Co. and its AI servers are built mostly by Taiwanese assemblers.

A longtime manufacturing powerhouse for automobiles and electronics, Thailand is playing catch-up with Malaysia and Singapore. It wants to bolster growth from an average of less than 2% under a decade of military-backed rule.

Interest from Nvidia, other tech companies, and those in the supply chain should boost investment applications back to levels before a 2014 coup and help Thailand regain “lost opportunities” in that decade, Pichai said.

“The outlook for the Thai economy is bright and this is only the beginning,” said the veteran politician, who was appointed to the job in September under new Prime Minister Paetongtarn Shinawatra's administration.

There's already a surge in foreign investment pledges this year, especially into the data centers and printed circuit board manufacturing. Official data showed investment pledges jumped 42% to 722.5 billion baht (\$21.6 billion) in the first nine months of 2024 from a year ago.

Pichai said new investment proposals, including from domestic companies, may reach as much as 1 trillion baht this year.

Trade Pacts

Thailand is looking to conclude free trade pacts with the European Union and the United Arab Emirates next year, Pichai said. A deal with the European Free Trade Association is set to be signed during the World Economic Forum in January, which will help accelerate the agreement with the EU, he said.

The Southeast Asian country's negotiations with the EU restarted last year after talks were frozen in 2014 as part of the fallout from the military coup. In August, Thai parliament approved a plan to advance Bangkok's ties with the EU.

Paetongtarn's administration is pushing for a food security deal with the UAE that will see Thailand selling more frozen chicken, rice and ready-to-eat products, Pichai said. The plan is to also help the UAE maintain a commodity stockpile and similar deals are being explored with Qatar, Kuwait and Oman, he said.

“The war in the Middle East may escalate,” Pichai said. “When it does, food will be of utmost importance. We propose that we can hold the food for every country that buys it, and we can ship it to them within 24 hours.”

Thailand is a major producer and exporter of sugar, poultry and rice. The nation earns more than \$30 billion annually from shipping out agricultural commodities and food products.

Pichai said September export data, due next week, will gain for a third month and full-year exports from Thailand are set to beat the government target for 1-2% rise despite last year's high base and a stronger baht. Exports in the first eight months gained 4.2%, according to official data.

– *With assistance from Jane Lanhee Lee*

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