

Swedish Property Boom Not Doomed by Global Gloom

The Swedish property boom in Thailand over the past four years has been dampened by the recent global financial crisis but will remain strong in the long term says Country Director of GlenAsia Group, Roland G. Svensson.

By Andrew J. West

It had been anticipated that Scandinavian investment in residential developments in Thailand through to the end of next year would reach B16.2 billion – but that was before the global financial crisis – and although Swedish developers have experienced a sharp downturn, they expect the market to return to strength.

No revised figures are yet available on the effect of the sudden and unexpected stock market turmoil on the Thai property market, but anecdotal evidence from key industry figures is there has been an immediate impact.

“The effect of the global financial crisis has been a fast and heavy blow to our business, but it will recover over the next few years and become strong again. Really, right now is the best time to buy as good deals are available and the Thai property market is still a sound investment,” says Roland Svensson.

And Roland, who has three decades of experience as a Swedish expatriate working in Thailand first managing some of the kingdom’s top hotels and now as a property developer, has many reasons for adamantly maintaining his optimistic view about Thai property and GlenAsia’s prospects despite the global downturn.

Thailand safe throughout several crisis’

Since the 1970s when there were two military coups Thailand has seen continuous periods of political instability and several crisis’ come and go such as the 1997 Asian financial

crisis and the 2004 Tsunami while steadily developing and building a reputation as a safe place to live and invest.

Thai property and land prices had gone up steadily over the past ten years and the eastern seaboard, where GlenAsia is focused, has been undergoing major expansion, growth given impetus by the opening of Suvarnabhumi airport in 2007, which is only an hour and a half from Rayong.

“Of course peace and stability are important factors fostering investment, but the present round of political infighting has lasted over a year and a half. The latest violent protests in Bangkok in the last week or two have no doubt had an effect, not least on tourism, which flows on

