

Economic Update for May 2021



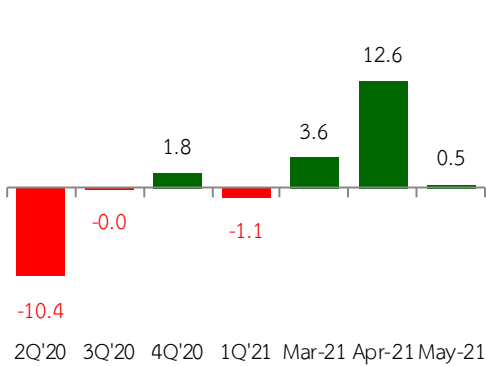
Business Research Office
Data Governance and Analytics Group
July 9, 2021

Highlight in May 2021

In May 2021, the impacts from the 3rd wave of COVID-19 outbreak on the Thai economy are becoming ever more obvious. Indicators of private consumption and private investment after seasonal adjustment continued to decline from the previous month while the tourism sector still faced difficulties from a lack of international tourists due to the ongoing international travel restrictions. However, merchandise exports continued to improve in line with recovery of trading partners' demand supporting production in the manufacturing sector.

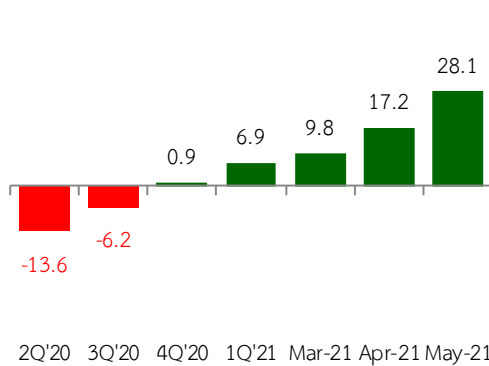
Private consumption

In May 2021, Private consumption indicators grew at a slower rate of 0.5%YoY. However, after seasonal adjustment, private consumption indicators continued to drop in all spending categories.



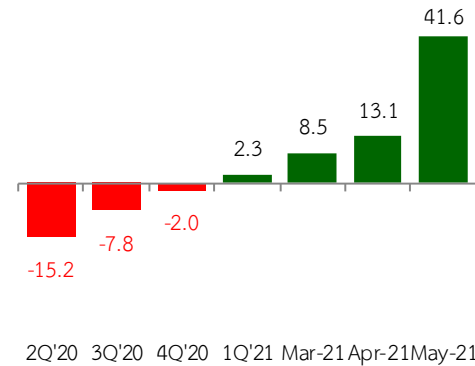
Private investment

Private investment kept expanding when compared to the same month last year due to low base. After seasonal adjustment, this indicator dropped from the previous month mainly from lowered investment in machinery and equipment category.



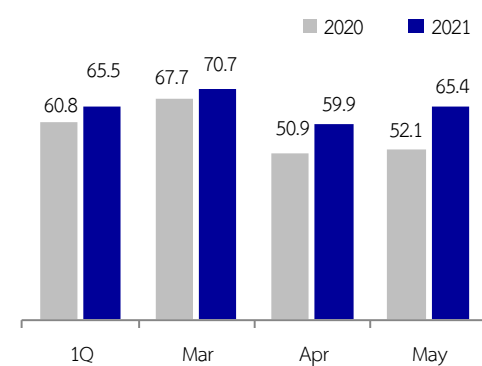
Export of goods

The value of merchandise exports increased largely, thanks to rising demand in major trading partners. Products with strong expansion were automotive, electronics, electrical appliances, rubber products and petroleum-related products.



Capacity utilization

Capacity utilization rate surged to 65.4% in May from 52.1% in the same period last year. This was in accordance with the recovery of export sector.



Farm income

Farm income continued to expand mainly from rising agricultural prices.

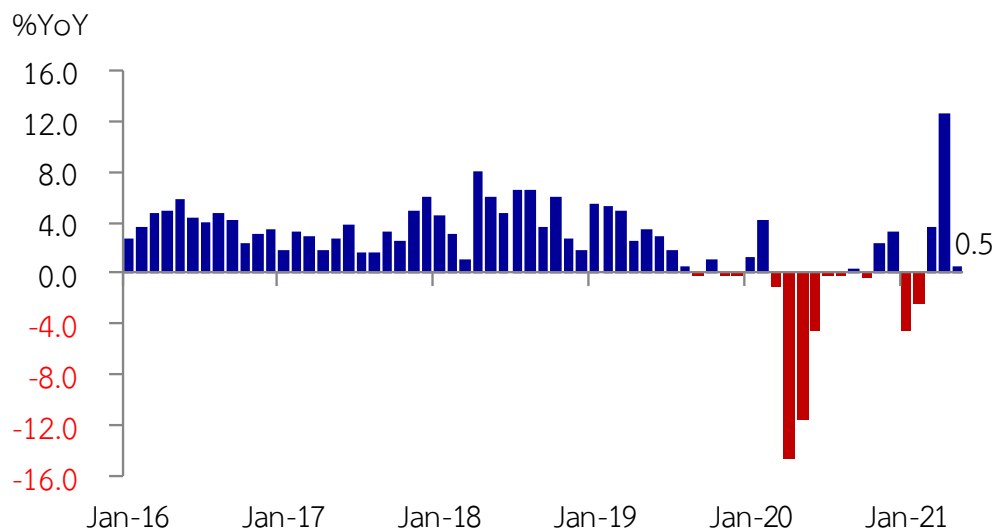
Tourism sector

The tourism sector has not recovered yet as the country still struggled with a collapse in foreign visitors and domestic travelers caused by the prolonged spread of the virus.

Private consumption

- Private consumption indicators recorded a 0.5%YoY increase in May. However, after seasonal adjustment, private consumption indicators declined for a second straight month in May with a 3.1%MoM contraction as the impact of the third wave of Covid-19 outbreak and the government's strict containment measures still threatened household consumption in all spending categories despite allocating some stimulus packages to help households and businesses.

Growth rate of private consumption index



Private consumption indicators

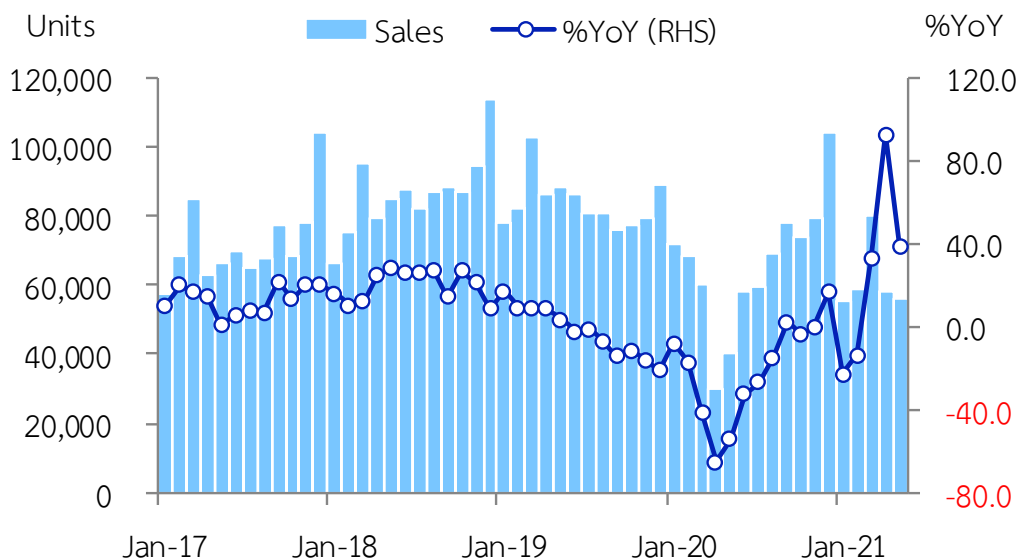
%YoY	2020			2021			
	H1	H2	Q4	Q1	Apr	May	%MoM
Non-durable index	-2.6	-0.8	-1.9	-4.2	5.4	-4.3	-1.9
Semi-durable index	-3.6	-3.2	-2.4	1.9	6.0	6.9	-1.0
Durable index	-20.6	-4.3	1.1	-2.2	54.9	24.3	-6.5
Services index	-18.9	-23.7	-23.4	-17.3	14.1	-0.6	-3.9
(Less) Net tourism spending	-59.6	-91.5	-91.2	-91.0	-37.1	-48.5	2.9
Private consumption index	-4.6	0.9	1.8	-1.1	12.6	0.5	-3.1

Note: %MoM is calculated from seasonally adjusted data

Domestic vehicle sales

- Domestic vehicle sales in May rose 38.4%YoY to 55,948 units, rebounding from a low base last year. But sales were lower than that of 58,132 units in April due to the third wave of infections. In the first five months of 2021, there were 308,217 units of domestic vehicle sales, increasing 13.9%YoY.
- Regarding sales by brand in January-May period, Toyota maintained its place at the top of the table with a largest market share of 30.7%, following Isuzu (25.7%), and Honda (11.5%), respectively.

Domestic new vehicle sales



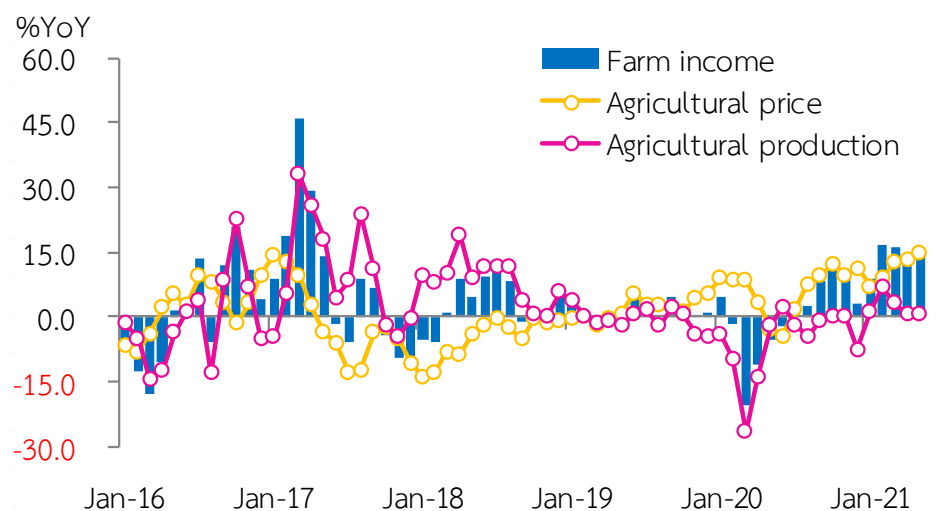
Top 10 new vehicle sales by brand in 2021

Brand	Share (%)	Sales (units)		Change (%YoY)	
		Jan-May	May	Jan-May	May
Toyota	30.7	94,582	19,723	17.2	45.2
Isuzu	25.7	79,067	14,866	33.1	46.8
Honda	11.5	35,376	4,998	-0.4	19.6
Mitsubishi	6.4	19,584	3,392	-10.0	22.6
Mazda	5.2	15,903	2,805	24.6	75.1
Nissan	4.5	13,757	2,034	-23.5	-23.8
Ford	4.4	13,607	2,704	38.8	94.5
MG	3.9	12,029	2,032	38.5	44.9
Suzuki	2.8	8,690	1,574	-4.2	10.5
Hino	1.7	5,267	1,002	61.9	53.9
Others	3.4	10,355	818	-11.4	32.6
Total	100.0	308,217	55,948	13.9	38.4

Farm income

- Farm income continued to expand, thanks mainly to rising agricultural prices particularly in terms of rubber, palm kernel, sugarcane and durian. The main reason bolstering these agricultural prices included higher demand during the period.

Farm income and components



%YoY	2020	2020			2021		
		H1	H2	Q4	Q1	Apr	May
Farm income	0.1	-6.6	6.3	8.8	13.7	14.0	15.7
Agricultural price	6.1	3.5	8.7	11.1	9.7	13.3	15.1
Agricultural production	-5.6	-9.7	-2.2	-2.1	3.6	0.6	0.6

Farm income and components in 2021

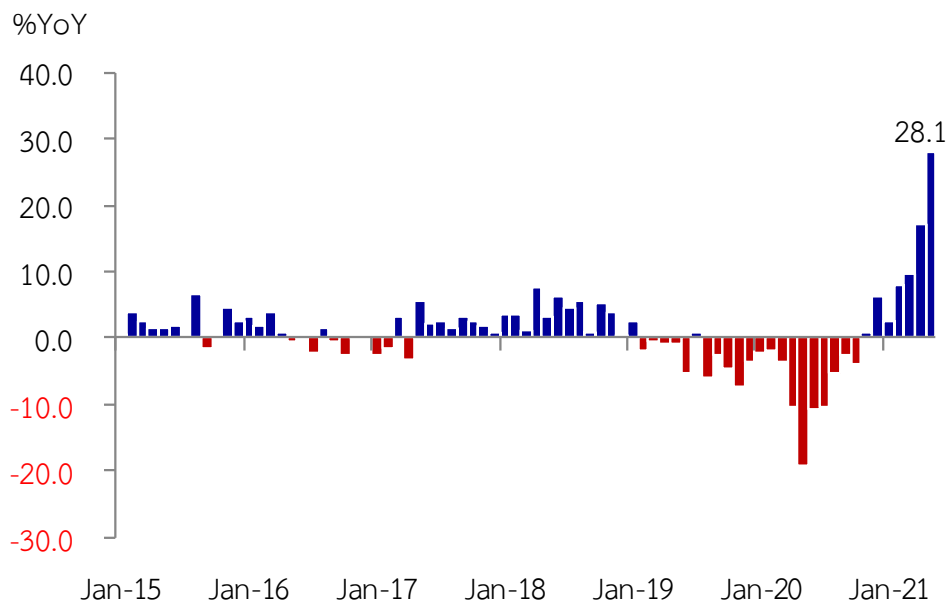
Item	Farm Income		Agricultural price		Agricultural production	
	Apr	May	Apr	May	Apr	May
Agriculture	14.0	15.7	13.3	15.1	0.6	0.6
Paddy	-5.2	-13.8	-15.1	-19.1	11.7	6.6
Sugarcane	22.6	22.7	30.3	30.3	-5.9	-5.9
Cassava	28.9	21.7	20.2	15.2	7.2	5.6
Maize	4.5	12.5	5.8	-0.3	-1.2	12.9
Rubber, uss3	62.7	70.8	61.1	65.5	1.0	3.2
Durian	5.3	61.9	12.2	27.5	-6.2	27.0
Palm kernel (weight over 15 kg.)	51.5	92.4	58.3	87.2	-4.3	2.8
Coconut	10.9	11.8	6.8	-6.9	3.9	20.0
Swine (weight over 100 kg.)	19.3	15.3	15.9	12.0	3.0	3.0
Fowl	-3.3	7.5	-4.8	6.0	1.6	1.5
Egg, chicken	-9.5	1.3	-10.4	0.3	0.9	0.9
Shrimp, Vannamei	5.5	-2.5	17.4	1.3	-10.1	-3.8

Source : OAE

Private investment

- Private investment index in May kept rising at 28.1%YoY due to a low base last year. Considering private investment after seasonal adjustment, the index went down by 2.3%MoM as the continuous surge in infections dampened domestic demand and business sentiment, reflecting in a decline in investment in the machinery and equipment category as well as the construction category.

Growth rate of private investment index



Private investment indicators

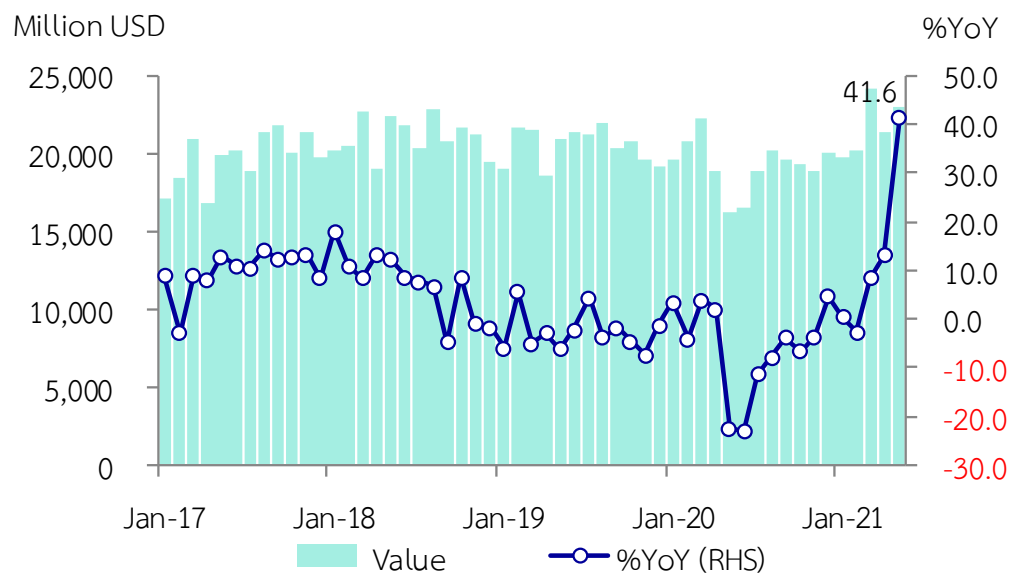
%YoY	2020			2021			
	H1	H2	Q4	Q1	Apr	May	%MoM
Permitted construction area	-1.3	-4.2	-7.0	-9.2	-9.4	-7.1	-0.1
Construction material sales index	-2.1	-4.9	-5.9	3.9	-6.0	2.3	-6.6
Real imports of capital goods	-14.2	-8.7	-4.1	16.3	20.9	30.3	-2.2
Real domestic machinery sales	-10.3	0.8	7.4	9.4	36.7	57.2	-3.5
Number of newly registered motor vehicles for investment	-17.8	-2.6	5.8	0.1	16.6	35.4	-1.9
Private investment index	-8.1	-2.4	0.9	6.8	17.2	28.1	-2.3

Note: %MoM is calculated from seasonally adjusted data

Export of goods

- The country's exports in May reached 23,058 million USD with the highest growth rate in almost 11 years of 41.6%YoY. Such solid expansion resulted from the robust global economic recovery, especially in manufacturing sector.
- For the first five months of 2021, Thai exports rose by 10.8%YoY to 108,635 million USD.

Export value and growth



Export value to key markets in 2021

Market	Share Jan-May (%)	Jan-May		May	
		Million USD	%YoY	Million USD	%YoY
Total	100.0	108,635	10.8	23,058	41.6
ASEAN	24.1	26,225	6.3	5,734	49.1
China	13.7	14,918	21.6	3,651	25.5
U.S.A.	14.7	15,921	16.9	3,152	44.9
Japan	9.6	10,396	9.2	2,044	27.4
EU	9.6	10,467	22.0	2,013	62.8
Hong Kong	4.2	4,547	-9.0	1,143	48.4
Australia	4.3	4,658	22.1	969	22.4
Middle East	3.3	3,543	9.9	681	33.9
India	3.0	3,281	47.1	625	243.8
South Korea	2.2	2,375	33.9	541	66.4

Commodity price & Exchange rate	Jan-May		May	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	61.4	48.3	66.0	109.1
Gold price (USD/troy oz)	1,800.7	10.5	1,850.3	7.8
Exchange rate (THB/USD)	30.7	-3.2	31.3	-2.3
NEER index	121.5	-1.0	119.2	-2.8

Source : MOC, BOT, World Bank

Export of goods in 2021

Major product	Share Jan-May (%)	Jan-May		May	
		Million USD	%YoY	Million USD	%YoY
Total exports	100.0	108,635	10.8	23,058	41.6
Agriculture	9.9	10,782	14.3	2,605	20.6
- Rice	1.1	1,141	-34.2	200	-42.1
- Rubber	2.1	2,333	54.6	419	99.2
- Tapioca	1.6	1,705	41.1	279	10.7
- Fruits	2.3	2,537	25.8	1,071	38.0
- Fishery	0.6	621	-3.0	143	9.9
Agro-industrial	7.1	7,660	-0.3	1,615	5.5
- Prepared or preserved seafood	1.3	1,400	-9.6	254	-26.4
- Cane sugar and molasses	0.5	589	-46.2	117	-47.6
- Wheat products and other food	0.9	939	1.8	179	4.4
- Beverages	0.8	871	8.3	178	20.8
Manufacturing	79.5	86,418	11.0	17,944	48.0
- Automotive	15.0	16,293	28.9	3,193	143.4
- Electronics	15.4	16,741	18.6	3,553	35.4
- Electrical appliances	10.8	11,777	27.1	2,333	60.3
- Precious stones and jewelry	3.3	3,549	-62.9	1,091	-23.8
- Unwrought gold	1.2	1,308	-82.8	645	-47.3
- Rubber products	5.8	6,296	40.1	1,150	54.7
- Petro-chemical products	4.1	4,400	38.8	942	61.4
- Chemicals	3.4	3,665	35.5	833	73.8
- Machinery & equipment	2.9	3,175	18.7	617	52.9
- Apparels & textile	2.4	2,600	8.0	514	38.3
- Metal & steel	2.4	2,588	27.3	502	62.6
Mining & Fuel	3.5	3,775	21.6	894	92.3

Product	May	
	Million USD	%YoY
Automotive	3,193	143.4
- Passenger car	875	102.7
- Pick up and trucks	708	333.3
- Motorcycle	360	106.5
- Spark-ignition reciprocating internal combustion	314	61.5
- Parts & accessories	830	179.0

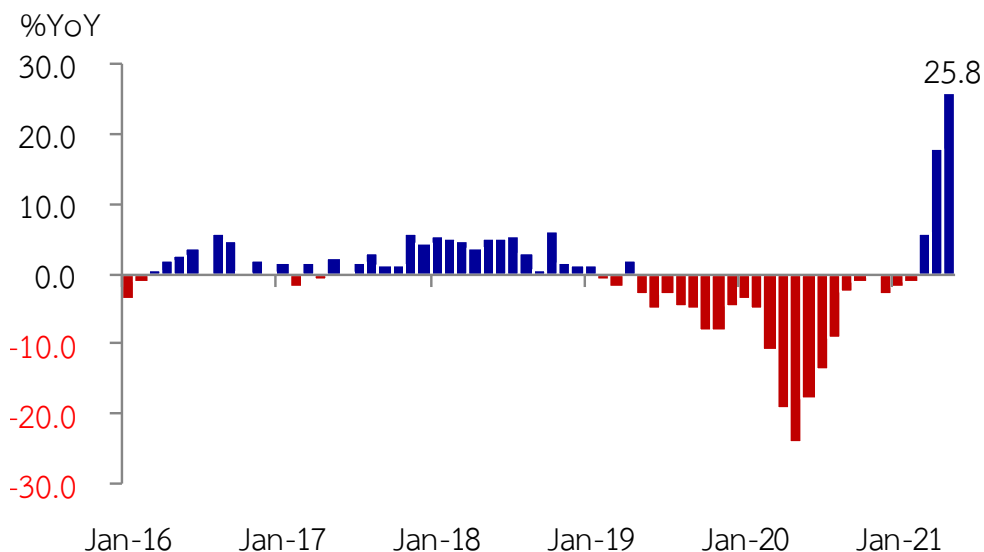
Product	May	
	Million USD	%YoY
Electronics	3,553	35.4
- Computer parts	1,862	44.5
- HDD	1,207	64.2
- Printed circuits	709	29.8
- Telecommunication	204	-13.1
- Semi-conductor devices, transistors, diodes	225	6.0

Source : MOC

Manufacturing production

- Manufacturing Production Index in May increased by 25.8%YoY due to a low base last year, especially in the automotive sector as key manufacturers had temporarily suspended their production to help combat the spread of COVID-19 during that period. When compared to the previous month, Manufacturing Production Index kept rising at 9.8%MoM driven by rising exports.

Growth rate of manufacturing production index



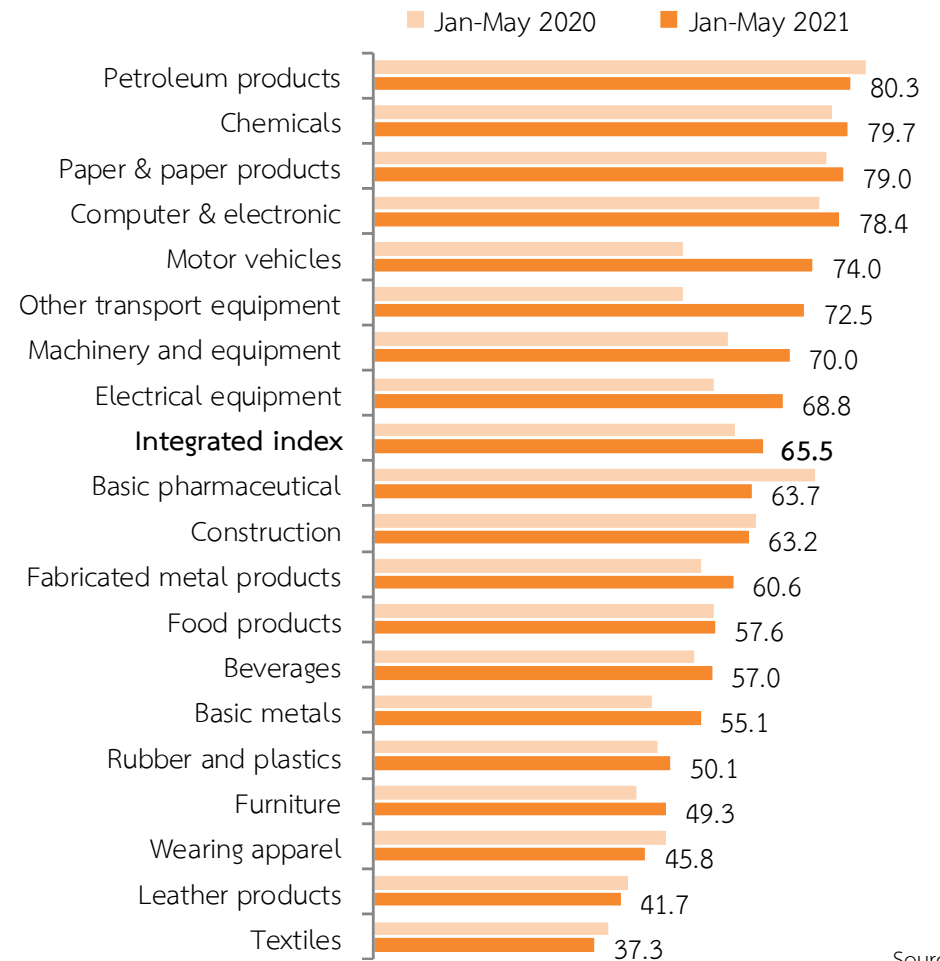
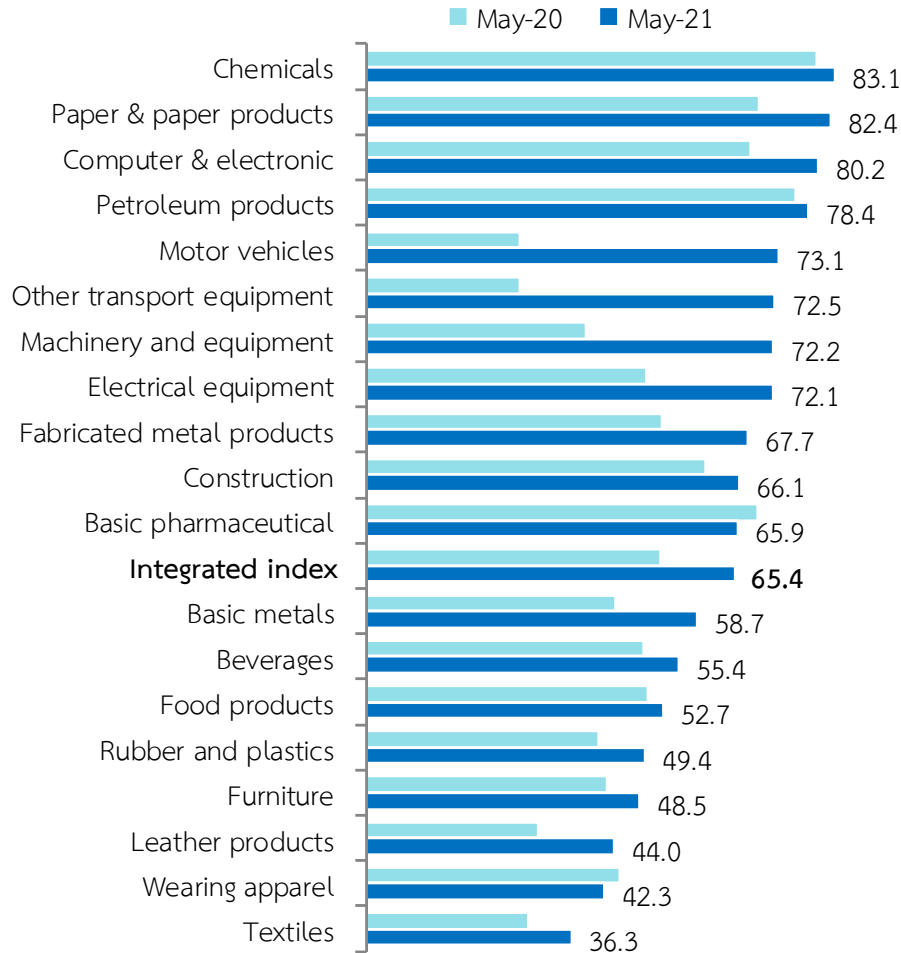
Manufacturing Production Index (MPI)

%YoY	2020	2020			2021		
		1H	2H	Q4	Q1	Apr	May
Overall MPI	-9.3	-13.2	-5.1	-1.6	0.8	18.0	25.8
Automotive	-28.9	-42.5	-13.8	4.4	3.3	271.0	154.9
Electrical appliances	5.5	-5.2	16.8	16.4	12.6	30.3	49.2
Basic metal	-7.1	-12.9	-0.8	5.2	15.5	29.1	40.3
Fabricated metal products	-3.3	-10.4	4.0	7.1	4.4	14.2	34.0
IC and semiconductors	1.9	-0.4	4.1	6.4	12.3	11.2	29.1
Textiles	-22.5	-24.7	-20.0	-10.8	-16.6	17.2	25.2
Rubbers and plastics	-7.8	-11.4	-4.1	-1.3	-0.8	3.9	24.3
Papers	-0.1	-0.6	0.5	3.7	-0.3	1.5	17.9
Hard disk drive	-2.8	3.1	-7.6	-5.0	3.9	20.1	13.9
Beverage	-6.2	-11.3	-1.1	-6.7	-5.7	60.3	13.7
Cements and construction	-5.0	-3.7	-6.3	-6.0	-2.4	-2.0	11.0
Food	-6.1	-8.0	-3.8	-4.4	3.1	0.8	6.5
Chemicals	-3.2	-3.2	-3.3	-6.1	5.7	-1.2	6.0
Petroleum	-7.0	-9.9	-3.8	0.2	-13.9	6.5	3.1
Basic pharmaceutical	1.3	5.6	-2.8	-1.0	-5.4	-29.7	-2.9
Wearing apparels	-20.7	-9.0	-32.7	-33.9	-21.9	-7.0	-25.8

Source : OIE

Capacity utilization rate of major industries

- The capacity utilization rate in May was at 65.4%, increasing from 52.1% in May last year. For the first five months of 2021, the average capacity utilization rate was at 65.5%. The top 5 highest capacity utilization rate consisted of petroleum products, chemicals, paper and paper products, computer and electronic products, and motor vehicles, respectively.

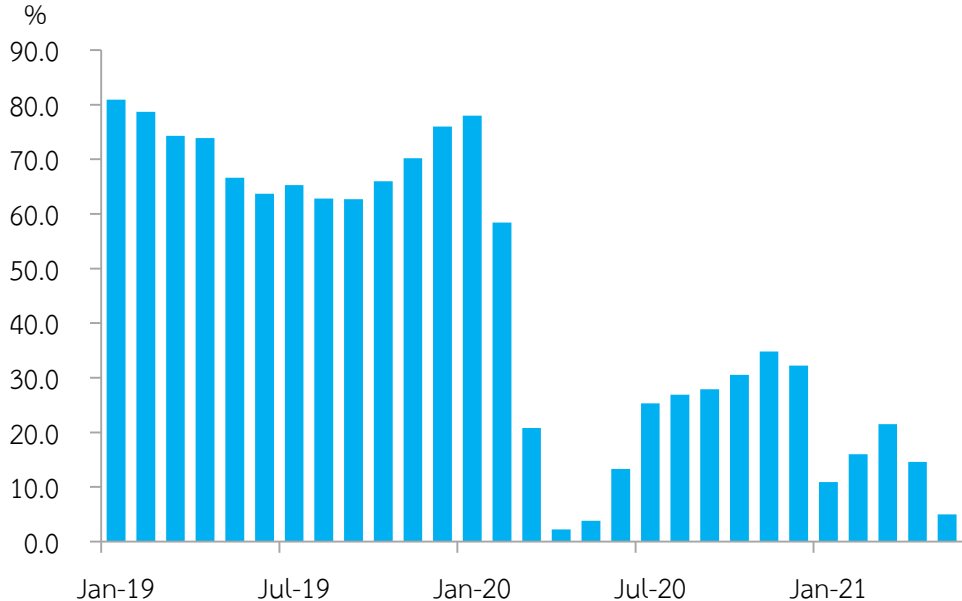


Source : OIE

Tourism sector

- The tourism sector in Thailand still faced hardship resulting from a lack of tourist revenues, both from foreign tourists and domestic travelers. In May, there were 6,052 foreign tourist arrivals due to the ongoing international travel restrictions while a record daily increase in new Covid-19 infections weighed heavily on domestic tourism as shown in the occupancy rate that was at a very low level of 5.0%.

Average occupancy rate



Average occupancy rate classified by area

%	2020			2021		
	H1	H2	Q4	Q1	Apr	May
Bangkok	34.8	21.6	23.6	10.8	10.3	9.4
North	29.9	47.4	54.7	24.1	13.5	7.6
West	30.0	49.2	50.9	27.5	24.4	5.5
Northeast	26.0	42.8	48.1	30.0	14.7	4.3
East	28.6	31.2	32.4	10.3	17.3	4.2
Central exc. Bangkok	23.8	30.8	32.8	18.1	10.0	3.1
South	27.7	15.7	17.4	10.6	15.2	1.3
Overall	29.4	29.6	32.5	16.2	14.6	5.0

Source : MOTs

End of Presentation

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