

# Economic Update For January 2023



## *Highlight:*

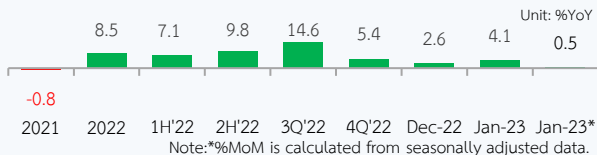
*The Thai economy in January 2023 was supported by rising private consumption on the back of the government's stimulus measures as well as the resumption of activities in the services sector from the tourism market, which recovered rapidly along with demand for hotel accommodation for various purposes as reflected by a remarkable level of hotel occupancy rate at over 70% during the month. Nonetheless, the merchandise exports remained under pressure from a slowdown in purchase orders from key trading partners.*

Business Research

3 March 2023

## Private Consumption

Private consumption indicators after seasonal adjustment increased from the previous month in almost all categories. Spending on services increased thanks to the tourism recovery, while spending on durable goods surged following a pick-up in delivery of vehicles' backlog orders, especially electric vehicle (EV).



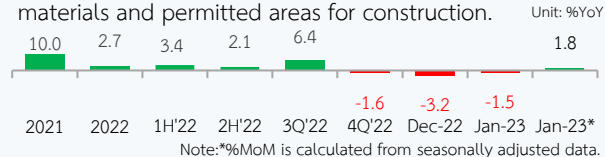
## Farm income

January farm income kept rising by 4.2%YoY. This was attributed to higher agricultural output and increasing prices. During the period, key items enjoying a price surge included paddy, durian, fowl, and eggs.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	Dec-22	Jan-23	Dec-22	Jan-23	Dec-22	Jan-23
<b>Agriculture</b>	13.3	4.2	7.4	1.5	5.4	2.7
Paddy	22.4	-4.5	22.9	20.5	-0.4	-20.8
Cassava	12.0	16.1	14.1	17.6	-1.9	-1.3
Rubber, RSS3	-19.1	-14.9	-18.2	-17.6	-1.0	3.2
Durian	934.5	30.9	51.5	51.5	582.8	-13.6
Swine	29.0	0.5	32.1	-0.0	-2.4	0.5
Fowl	12.7	11.4	11.4	10.9	1.1	0.4

## Private Investment

Private investment indicators after seasonal adjustment increased from the previous month as a result of investment in machinery and equipment, which grew in line with rising imports of capital goods and domestic sales of machinery. However, investment in construction declined from sales of construction materials and permitted areas for construction.

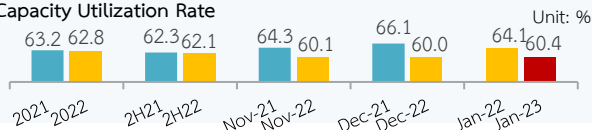


## MPI and Capacity Utilization (Cap-U)

January MPI dropped by 4.4%YoY as a global economic slowdown hurt exports and from a high comparative base from last year. However, F&B, automobile and petroleum production remained on an upward trend.

MPI (%YoY)	2022	4Q'22	Dec-22	Jan-23	%MoM
<b>Overall MPI</b>	0.4	-6.0	-8.5	-4.4	6.6
Automotive	11.5	8.5	1.6	6.5	5.0
Petroleum	8.7	-8.7	2.1	9.0	3.4
Food	2.2	-0.4	-2.9	2.1	21.6

### Capacity Utilization Rate



## Exports

- In January 2023, exports shrank by 4.5%YoY to US 20,250 mn due chiefly to the economic slowdown of trading partners. The main products facing a contraction during the month were electronics, appliances, rubber and petro-chemical.
- In addition, there have been risk factors that need to be monitored closely including relatively high raw material costs and energy prices, inflationary pressure, and the baht's dramatic fluctuations.

Market	Share (%) Jan-23	2022		Jan-23	
		USD Mn	%YoY	USD Mn	%YoY
<b>Total</b>	100.0	287,068	5.5	20,250	-4.5
ASEAN	24.9	71,890	10.3	5,044	-3.5
U.S.A.	16.8	47,527	13.4	3,404	-4.7
China	10.8	34,390	-7.7	2,188	-11.4
EU	10.2	26,830	6.6	2,066	2.7
Japan	9.5	24,669	-1.3	1,916	-9.2
Middle East	4.0	10,778	21.0	813	16.2

Commodity Price & Exchange Rate	2022		Jan-23	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	97.0	41.0	80.0	-3.7
Gold price (USD/troy oz)	1,800.6	0.1	1,897.7	4.5
Exchange rate (THB/USD)	35.1	9.6	33.2	0.0
NEER index	115.5	-2.0	121.9	5.5

## Domestic vehicle sales

January vehicle sales recorded at 65,579 units, down 5.6%YoY and 20.8%MoM, due to a lack of semiconductors in some car models as well as a seasonal slowdown in demand for new vehicles. By brand, Toyota kept its position as Thailand's top-selling brand with 36.2% market share, followed by Isuzu 22.3%, and Honda 10.8%, respectively.

### Domestic vehicle sales, Jan-2023

#### Total Vehicle Sales

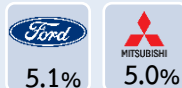


65,579

Units

-5.6%YoY

#### Market Share By Brand



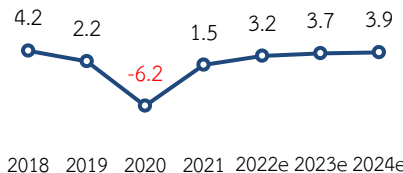
#### By Model

- 1 Isuzu D-Max 24.5%
- 2 Toyota Hilux 19.8%
- 3 Honda City 7.2%
- 4 Toyota Yaris 6.9%
- 5 Ford Ranger 4.9%

By body type, sales of passenger cars in January fell by 2.1%YoY to 22,864 units, while sales of commercial cars edged down in the same direction with a larger pace of 7.3%YoY to record 42,715 units. However, commercial cars still dominated the automobile market, thanks to popularity of 1-ton pickups, especially Isuzu D-Max and Toyota Hilux models.

Domestic Vehicle Sales by Body Type	Jan-Dec 2022		Jan-23	
	Unit	%YoY	Unit	%YoY
Passenger car	265,123	5.3	22,864	-2.1
Commercial car	584,265	15.2	42,715	-7.3
Pick up 1 ton	388,298	11.4	26,295	-12.9
SUV	82,582	16.4	7,932	3.1
Other	113,385	29.2	8,488	3.6
<b>Overall</b>	<b>849,388</b>	<b>11.9</b>	<b>65,579</b>	<b>-5.6</b>

## Thai GDP Forecast by BOT (%YoY)

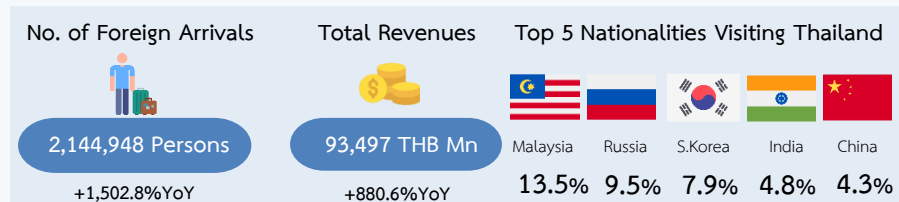


%YoY	2021	2022e	2023e	2024e
Private Consumption	0.3	6.1	3.4	3.2
Government Consumption	3.2	-0.2	-1.4	0.8
Private Investment	3.3	5.1	3.4	4.0
Public Investment	3.8	-1.5	1.8	7.0
Value of Merchandise Exports	18.8	7.4	1.0	2.6
Headline Inflation (%)	1.2	6.3	3.0	2.1

## Tourism

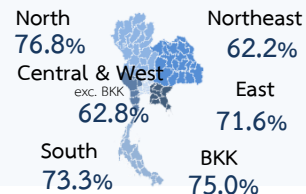
Tourism in January 2023 saw a lively recovery with a jump of 1,502.8%YoY to 2.14 mn foreign tourists as the world recovered from the pandemic. Malaysia, Russia, and South Korea, were top 3 main source markets during the month. However, the resumption of Chinese travelers after China's reopening on Jan 8, would continue to bring China back to the top spot once again.

### International tourist arrivals, Jan-2023



The average hotel occupancy rate nationwide was 71.4% in Jan 2023, supported by the increase in both Thai and foreign tourists. By region, hotels in the North were the most attractive, especially in Chiang Mai, Chiang Rai, and Nan, with occupancy rate of ~90%.

### Occupancy rate, Jan-2023



# Export of Goods

## For Jan 2023

Major products	Share Jan-23 (%)	Jan-Dec 22		Jan-23	
		USD million	%YoY	USD million	%YoY
<b>Total exports</b>	<b>100.0</b>	<b>287,068</b>	<b>5.5</b>	<b>20,250</b>	<b>-4.5</b>
<b>Agriculture</b>	<b>9.0</b>	<b>26,721</b>	<b>2.2</b>	<b>1,814</b>	<b>-2.2</b>
- Rice	2.0	3,971	14.7	413	72.3
- Rubber	1.5	5,160	-7.7	310	-37.6
- Tapioca	1.7	4,412	11.2	334	-7.6
- Fruits	1.1	5,652	-7.1	222	0.2
- Fishery	0.4	1,665	-2.2	88	-28.0
<b>Agro-industrial</b>	<b>7.8</b>	<b>22,769</b>	<b>17.8</b>	<b>1,586</b>	<b>-3.3</b>
- Prepared or preserved seafood	1.3	3,845	10.1	256	-4.8
- Cane sugar and molasses	1.2	3,157	97.9	252	-1.7
- Wheat products and other food preparations	0.9	2,520	7.5	183	-6.2
- Beverages	0.7	1,983	2.6	145	-11.0
<b>Manufacturing</b>	<b>79.3</b>	<b>225,694</b>	<b>4.4</b>	<b>16,053</b>	<b>-5.4</b>
- Automotive	14.6	37,642	-2.2	2,948	6.5
- Electronics	15.4	45,094	5.0	3,109	-3.0
- Electrical appliances	11.5	29,387	3.9	2,328	-2.0
- Precious stones and jewelry	3.6	15,106	50.3	733	-6.4
- Unwrought gold	0.8	7,070	82.0	159	-14.8
- Rubber products	5.1	13,862	-4.2	1,036	-8.2
- Petro-chemical products	3.3	10,683	-5.0	673	-30.0
- Chemicals	3.2	9,572	-3.1	639	-17.6
- Machinery & equipment	3.2	8,744	7.2	646	-2.1
- Apparels & Textile	2.3	6,850	5.0	463	-14.2
- Metal & steel	2.6	7,006	1.5	520	-6.2
<b>Mining &amp; Fuel</b>	<b>3.9</b>	<b>11,883</b>	<b>15.6</b>	<b>796</b>	<b>6.8</b>

Products	Jan-23	
	USD million	%YoY
<b>Automotive</b>	<b>2,948</b>	<b>6.5</b>
- Passenger car	906	10.3
- Pick up and trucks	557	25.1
- Motorcycle	353	16.4
- Spark-ignition reciprocating internal combustion	277	-13.3
- Parts & accessories	747	-1.3

Products	Jan-23	
	USD million	%YoY
<b>Electronics</b>	<b>3,109</b>	<b>-3.0</b>
- Computer parts	1,119	-21.2
- HDD	407	-42.0
- Electronic integrated circuits	736	-3.3
- Telecommunication	382	1.6
- Semi-conductor devices, transistors, diodes	356	72.3

Source: MOC

# End of Presentation

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## Disclaimer

ข้อมูล บทวิเคราะห์ และการแสดงความคิดเห็นต่างๆที่ปรากฏอยู่ในรายงานฉบับนี้ ได้จัดทำขึ้นบนพื้นฐานของแหล่งข้อมูลที่ได้รับมาจากแหล่งข้อมูลที่เชื่อถือได้ เพื่อใช้ประกอบการวิเคราะห์ภาวะเศรษฐกิจและอุตสาหกรรมซึ่งเป็นเอกสารภายในของธนาคารแลนด์ แอนด์ เฮ้าส์ จำกัด (มหาชน) เท่านั้น ทั้งนี้ธนาคารฯ จะไม่รับผิดชอบความเสียหายใดๆทั้งปวงที่เกิดขึ้นจากการนำข้อมูล บทวิเคราะห์ การคาดหมาย และความคิดเห็นต่างๆ ที่ปรากฏในรายงานฉบับนี้ไปใช้ โดยผู้ที่ประสงค์จะนำไปใช้ต้องยอมรับความเสี่ยง และความเสียหายที่อาจเกิดขึ้นเองโดยลำพัง