



THAI ECONOMIC AND FINANCIAL UPDATE

for May 2024

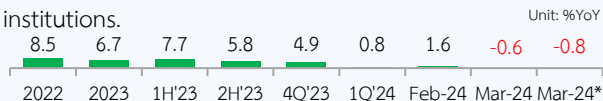
Highlight:

The Thai economy is decelerating due to a slowdown in domestic demand and the tourism sector after a strong acceleration in the previous period. In addition, factors supporting temporary purchasing power from the Easy E-receipt tax reduction measure have ended. Exports contracted mainly due to a decline in exports of manufactured goods. Private investment declined due to a slowdown in imports of capital goods and a slowdown in the number of commercial vehicle registrations. Government spending contracted due to the delay in the preparation of the 2024 annual budget.



Private Consumption

Seasonally adjusted private consumption indicators contracted from the previous month, in line with a decline in spending in all product categories, with the non-durable goods category declining following the end of the Easy E-receipt scheme. The durable goods category continued to decline after sales of passenger cars and motorcycles, largely due to cautious lending by financial institutions.



Note: %MoM is calculated from seasonally adjusted data.

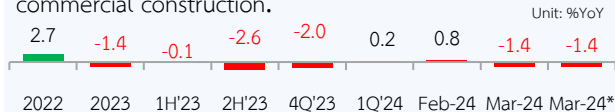
Farm Income

Farm income increased compared to the same period last year due to an increase in the prices of major agricultural products. However, agricultural production declined because of El Niño, which caused more severe drought than usual.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	Feb-24	Mar-24	Feb-24	Mar-24	Feb-24	Mar-24
	Agriculture	-0.7	2.5	5.5	7.4	-5.9
Paddy	3.3	6.0	13.7	10.6	-9.1	-4.2
Sugarcane	11.2	2.1	26.9	28.6	-12.3	-20.6
Cassava	-9.2	-6.3	7.7	-0.7	-15.7	-5.6
Rubber	46.8	67.7	47.8	70.7	-0.7	-1.8
Palm kernel	-9.1	-4.7	16.4	-1.6	-21.9	-3.1

Private Investment

Seasonally adjusted private investment contracted from the previous month. Investment in machinery and equipment declined due to imports of capital goods and commercial vehicle registrations. Meanwhile, investment in the construction category continued to decline as sales of construction materials fell. However, the area permitted for construction increased due to permits for factory and commercial construction.



Note: %MoM is calculated from seasonally adjusted data.

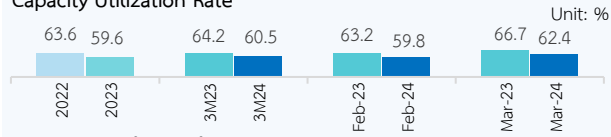
MPI and Capacity Utilization (Cap-U)

Seasonally adjusted manufacturing production index continued to fall as production of major product categories declined. Automobiles declined due to domestic auto sales. In the food sector, sugar production declined due to reduced sugarcane production as a result of the drought.

MPI (%YoY)	2023	1Q24	Feb-24	Mar-24	%MoM
Overall MPI	-3.8	-3.7	-2.8	-5.1	-2.8*
Automotives	0.8	-16.3	-16.3	-22.1	1.2
Petroleum	8.6	2.1	8.4	5.3	7.1
Food Products	-2.4	-0.26	-0.8	-0.7	-4.3

Note: %MoM Overall MPI is calculated from seasonally adjusted data.

Capacity Utilization Rate



Note: MPI stands for Manufacturing Production Index

Exports

- In March, Thai exports reversed course to contract by 10.9%YoY after several consecutive months of expansion. This was due to the decline in exports from many major trading partners such as ASEAN, China, Europe and Japan, partly due to the delayed economic recovery of trading partners, and the global economy is still affected by rising interest rates coupled with geopolitical conflicts.
- Overall, exports contracted by 0.2%YoY in the first quarter of 2024, with declines in key export goods such as electronics, rubber products, petrochemicals, chemicals, natural rubber, and cassava.

Market	Share (%) Jan-Mar 24	Jan-Mar 2024		Mar-24	
		USD Mn	%YoY**	USD Mn	%YoY**
Total	100.0	70,995	-0.2	24,961	-10.9
ASEAN	24.4	17,291	-0.5	5,643	-15.7
U.S.A.	17.8	12,603	9.9	4,635	2.5
China	10.4	7,350	-5.1	2,795	-9.7
EU	9.7	6,904	0.4	2,507	-3.2
Japan	8.3	5,885	-9.0	2,023	-19.3
Australia	4.6	3,277	24.8	1,084	15.4

Commodity Price & Exchange Rate	Jan-Mar 2024		Mar-24	
	USD Mn	%YoY	USD Mn	%YoY
Dubai oil price (USD/bbl)	81.6	2.5	84.7	-0.0
Gold price (USD/troy oz)	2,071.8	9.7	2,158.0	9.1
Exchange rate (THB/USD)	35.7	5.2	36.0	4.2
NEER index	118.8	-1.3	118.1	-0.9

Domestic Vehicle Sales

In March, car sales fell 29.8%YoY due to falling sales of both passenger cars and commercial vehicles. The main factor is the cautious lending by financial institutions due to loan quality concerns, coupled with high interest rates and household debt problems, which are affecting consumers' purchasing power. This includes the slowdown in private sector investment, which has affected sales of commercial vehicles. However, the SUV segment can still expand well due to increasing demand for vehicle versatility.

Domestic vehicle sales, 3M2024

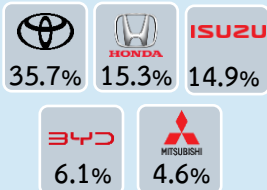
Total Vehicle Sales



163,756 Units

-24.6%YoY

Market Share By Brand



By Model

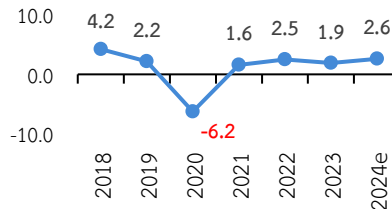
- 1 Toyota Hilux 15.4%
- 2 Isuzu D-Max 13.9%
- 3 Toyota Yaris ATIV 9.2%
- 4 Honda City 6.6%
- 5 Yaris Cross 6.0%

Domestic car sales in the first quarter of 2024 were 163,756 units, down 24.6%YoY, which is still mostly due to a decline in commercial vehicle sales, especially the 1-ton pickup truck group. The brand with the highest market share remains Toyota, followed by Honda and Isuzu. In terms of car models, the Toyota Hilux is the best-selling model with a market share of 15.4%, followed by the Isuzu D-Max with 13.9% and the Toyota Yaris ATIV with 9.2%.

Domestic Vehicle Sales by Body Type	Jan-Mar 2024		Mar-24	
	Unit	%YoY	Unit	%YoY
Passenger car	65,615	-15.4	22,342	-25.1
Commercial car	98,141	-29.7	33,757	-32.6
Pickup 1 ton	46,611	-44.0	16,212	-45.3
SUV	34,014	21.9	11,387	12.4
Other	17,516	-38.2	6,158	-40.5
Overall	163,756	-24.6	56,099	-29.8

Sources: NESDC, Toyota, FTI, and MOTS

Thai GDP Forecast by BOT (%YoY)



%YoY	2021	2022	2023	2024e
Private Consumption	0.6	6.2	7.1	3.5
Government Consumption	3.7	0.1	-4.6	1.8
Private Investment	2.9	4.7	3.2	3.3
Public Investment	3.5	-3.9	-4.6	1.0
Value of Merchandise Exports*	19.2	5.4	-1.7	2.0
Headline Inflation (%)	1.2	6.1	1.2	0.6

*BOP Basis

Note: Data as of Apr 2024

Tourism

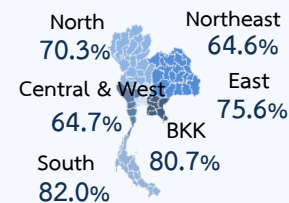
The number of foreign tourists slowed down in March compared to the previous month as the number of tourists from Muslim countries declined due to the start of Ramadan. In particular, Malaysian and Middle Eastern tourists declined sharply. This was coupled with a slowdown in the number of Chinese tourists after an acceleration during the long Chinese New Year holiday. However, the number of European tourists increased due to an increase in British and German tourists.

International tourist arrivals, 3M2024



In March, the average hotel occupancy rate nationwide was 71.7%, down from the previous month, in line with the overall slowdown in tourist arrivals. The region with the highest occupancy rate is the Southern Region, followed by Bangkok and the Eastern Region. Regions with marine tourism attractions continue to have high occupancy rates. This is due to the high season for marine tourism and the summer break for educational institutions in Thailand.

Occupancy Rate, 3M2024



Export of Goods

For May 2024

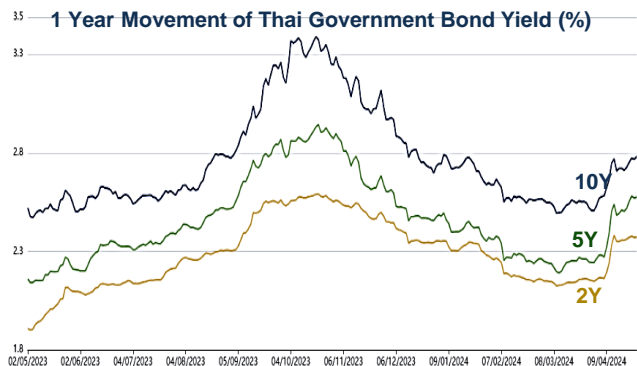
Major products	Share Feb 2024 (%)	Jan-Mar 24		Mar-24	
		USD million	%YoY*	USD million	%YoY*
Total exports	100.0	70,995	-0.2	24,961	-10.9
Agriculture	8.9	6,291	6.8	2,197	0.1
- Rice	2.3	1,611	43.2	485	30.6
- Rubber	1.7	1,191	24.9	445	36.9
- Tapioca	1.3	939	-20.8	383	-16.7
- Fruits	1.0	693	-16.0	225	-38.7
- Fishery	0.6	397	16.4	147	5.5
Agro-industrial	7.9	5,589	-6.0	2,103	-9.9
- Prepared or preserved seafood	1.3	894	4.7	314	1.5
- Cane sugar and molasses	1.1	776	-35.7	282	-45.4
- Wheat products and other food preparations	0.9	645	6.9	240	7.9
- Beverages	0.8	543	6.1	196	-0.9
Manufacturing	79.8	56,646	-0.3	19,814	-12.3
- Automotive	14.2	10,057	-6.6	3,714	-6.7
- Electronics	16.3	11,549	5.3	4,206	-8.4
- Electrical appliances	10.4	7,384	-4.9	2,679	-8.8
- Precious stones and jewelry	5.8	4,115	-3.2	1,083	-52.5
- Unwrought gold	2.3	1,601	-16.1	392	-75.0
- Rubber products	4.7	3,337	-2.8	1,175	-6.9
- Petro-chemical products	2.9	2,090	-6.1	726	-13.7
- Chemicals	2.6	1,870	-9.1	675	-10.9
- Machinery & equipment	3.1	2,178	1.9	773	1.3
- Apparels & Textile	2.2	1,529	1.1	543	-2.2
- Metal & steel	3.1	2,234	36.9	556	-7.6
Mining & Fuel	3.5	2,470	-2.4	847	-5.0

Products	Mar-24	
	USD million	%YoY*
Automotive	3,714	-6.7
- Passenger car	1,089	-11.3
- Pick up and trucks	749	-21.0
- Motorcycle	363	-8.1
- Spark-ignition reciprocating internal combustion	450	29.5
- Parts & accessories	861	-5.1

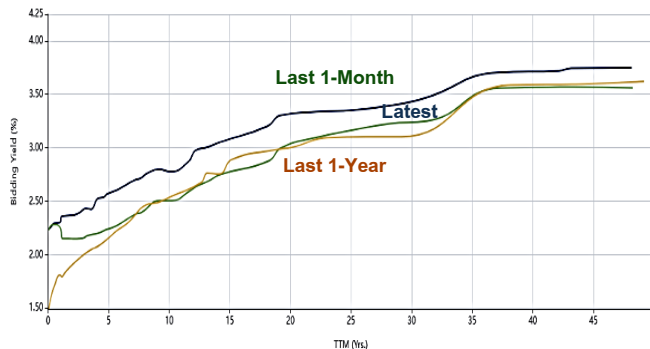
Products	Mar-24	
	USD million	%YoY*
Electronics	4,206	-8.4
- Computer parts	1,990	-11.8
- HDD	900	-36.2
- Electronic integrated circuits	663	-18.2
- Telecommunication	539	24.4
- Semi-conductor devices, transistors, diodes	391	-16.1

Source: MOC (*Custom Basis)

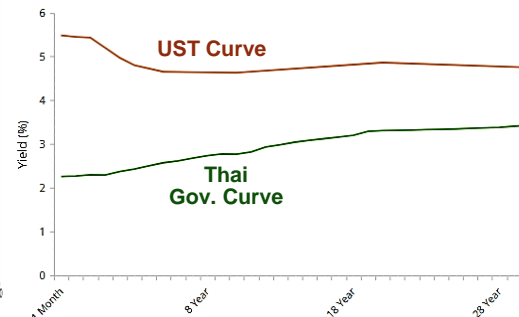
Fixed Income Market



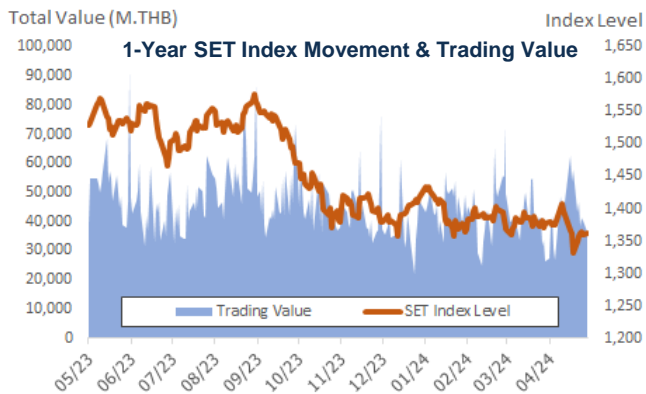
Shift in Thai Government Yield Curve Current vs Last Month vs Last 1 Year



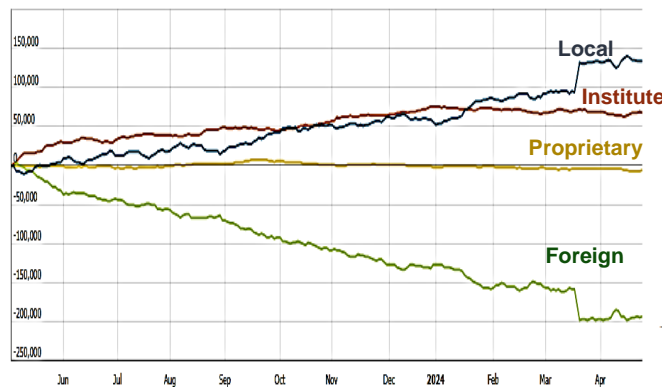
Thai Government Yield Curve versus US Treasury Yield Curve



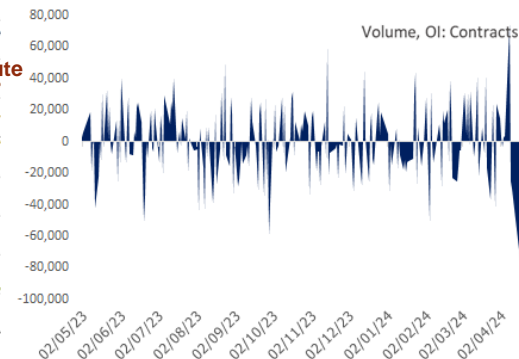
Equity Market



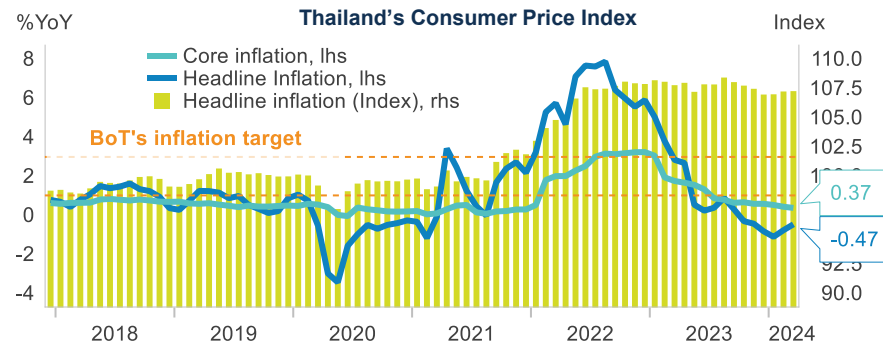
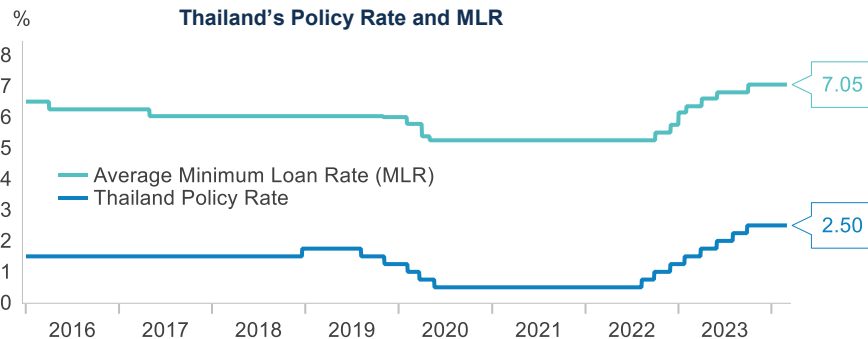
1 Year - SET Trading Value by Investor Type (M.THB)



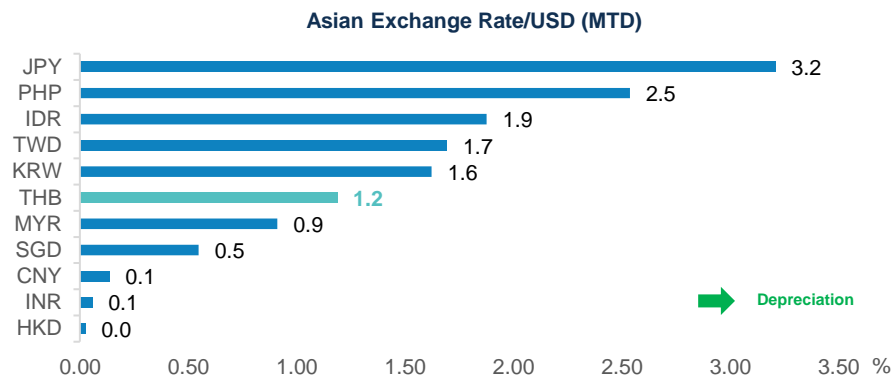
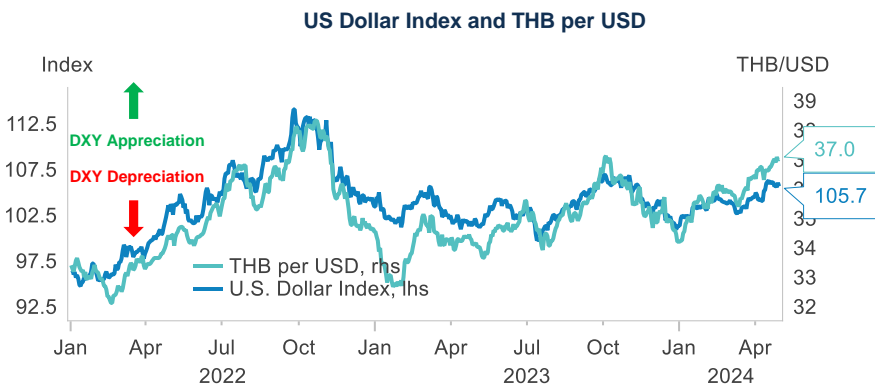
1 Year - TFEX Net Volume of Foreign Investor



Policy Rate and Inflation



Exchange Rate



End of Presentation

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