

Economic Update for December 2021



Business Research

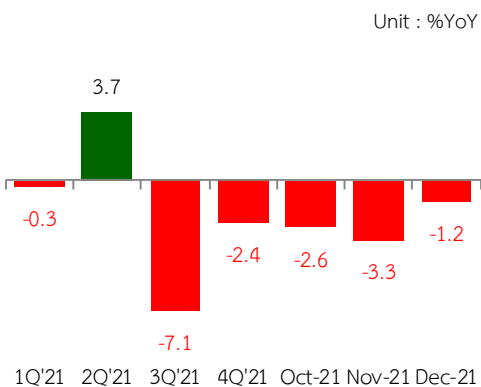
February 4, 2022

Highlight in December 2021

The Thai economy in December performed better than the previous month with exports accelerating on the back of the economic recovery of key trading partners and tourism improving following a broad reopening to foreign tourist arrivals in November. Private domestic expenditures also improved both in consumption and investment, which bolstered activities in the manufacturing and service sectors.

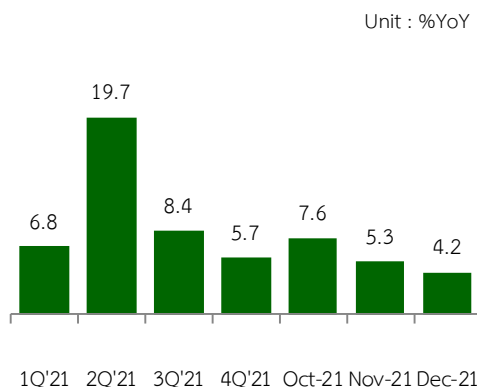
Private consumption

Private consumption dropped by 1.2%YoY, lower than the previous month. After seasonal adjustment, the indicators showed the improvement in several categories, especially non-durable goods and services, thanks to the easing of containment measures and improving signs seen in the Covid-19 situation.



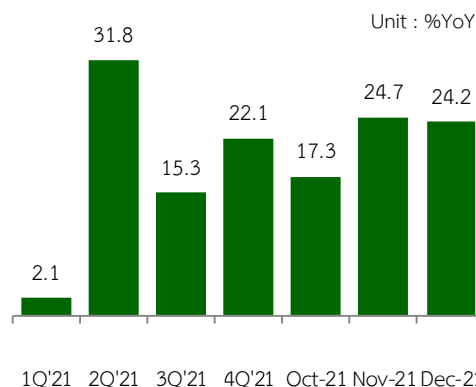
Private investment

Private investment maintained growth momentum in December, albeit at a slower pace than the previous month. After seasonal adjustment, the indicators fared better than the previous month, especially the hike in the machinery and equipment investment as well as the construction investment.



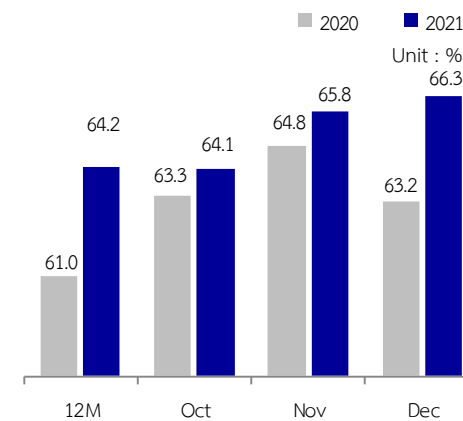
Export of goods

The merchandise exports recorded a robust growth of 24.2%YoY in December, propelled by the economic recovery of key trading partners, resulting in a huge surge in demand for several categories, especially in automotive, electronics, and electrical appliance categories.



Capacity utilization

Capacity utilization rate in December grew markedly by 66.3% when compared to 63.2% in the same period last year. The strong recovery in capacity utilization rate was in line with the manufacturing production growth following the easing of supply disruptions.



Farm income

Farm income in December shrank by 1.3%YoY, lower than the previous month, due to the effect of rising agricultural production and prices.

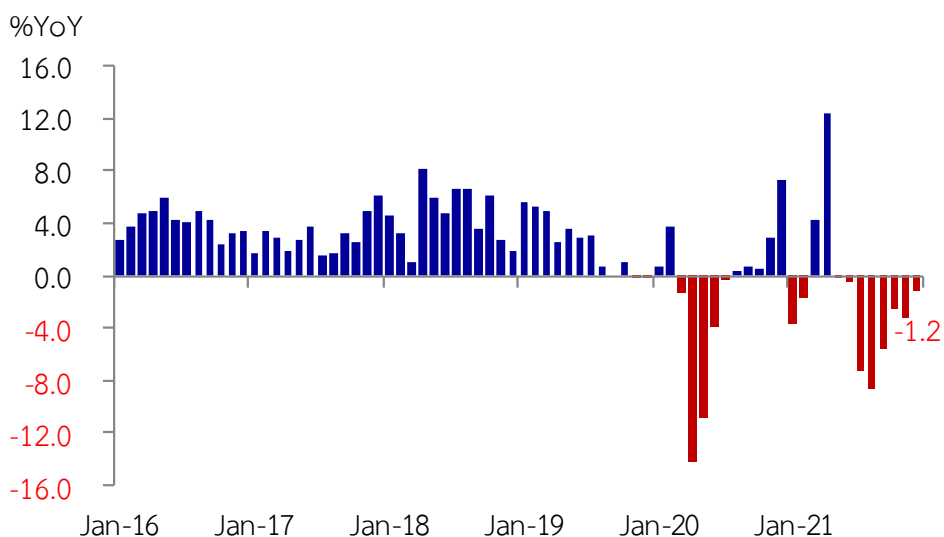
Tourism sector

Foreign tourist arrivals reached a peak in December at a recorded 230,497 arrivals, thanks to the country's reopening scheme. However, tourism-related businesses have yet to recover to their pre-pandemic levels as the number of foreign tourist arrivals remained low.

Private consumption

- Private consumption indicators in December shrank at a slower rate of 1.2%YoY over the previous month. After seasonal adjustment, the indicators increased by 2.3%MoM, thanks to rising consumption in almost all categories, especially non-durable goods, and services.
- As the country was easing Covid-19 restrictions amid the Covid-19 situation being under control, this helped support the overall economic activities, consumer confidence, and household income during the period.

Growth rate of private consumption index



Private consumption indicators

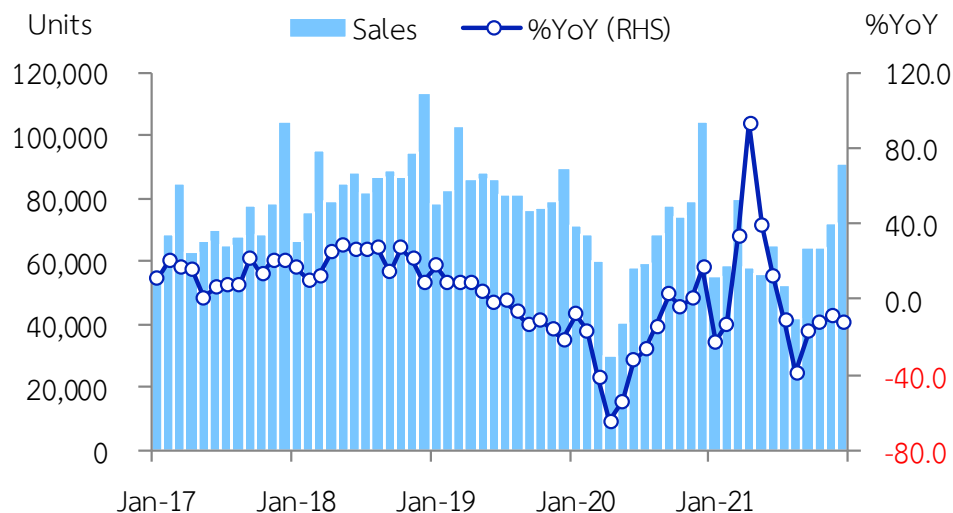
%YoY	2020	2021	2021				%MoM
			H1	H2	Nov	Dec	
Non-durable index	-1.9	-4.8	-2.3	-7.4	-5.0	-2.2	2.8
Semi-durable index	-3.5	2.9	4.1	1.9	1.6	1.2	0.9
Durable index	-13.6	0.2	11.1	-8.7	2.2	-7.8	-1.9
Services index	-20.9	-4.0	-7.9	0.0	2.0	9.2	5.0
(Less) Net tourism spending	-79.6	-58.9	-88.1	211.5	474.2	455.8	133.8
Private consumption index	-1.3	-1.6	1.6	-4.7	-3.3	-1.2	2.3

Note: %MoM is calculated from seasonally adjusted data

Domestic vehicle sales

- New vehicle sales in December were 91,010 units, the highest in 12 months, thanks to the government's stimulus measures. However, the overall vehicle sales for 2021 fell by 4.2%YoY to 759,119 units. By body type, passenger car sales declined by 8.4%YoY to 251,800 units, while commercial vehicle sales dropped slightly by 1.9%YoY to 507,319 units.
- In 2021, Toyota was the top new vehicle seller with 31.5% market share, followed by Isuzu 24.3%, and Honda 11.7%, respectively.

Domestic new vehicle sales



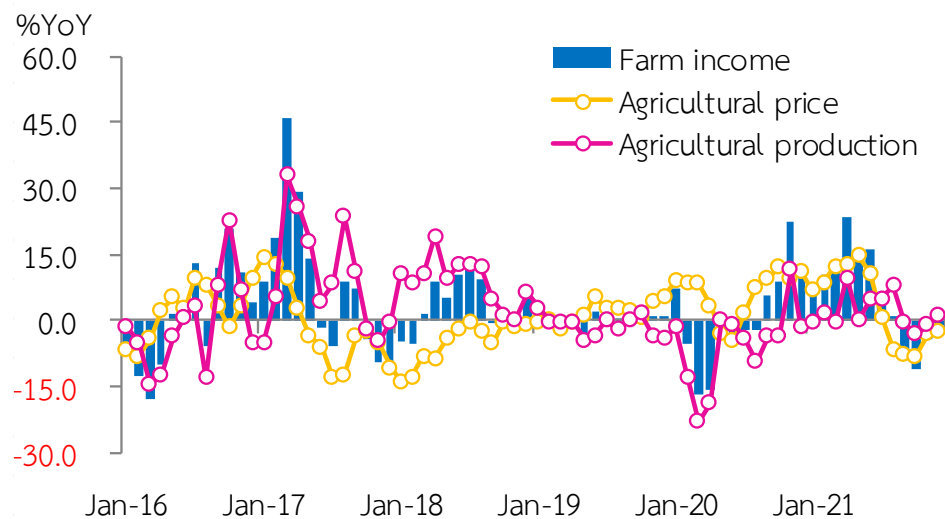
Top 10 new vehicle sales by brand in 2021

Brand	Share (%) Jan-Dec	Sales (units)		Change (%YoY)	
		Jan-Dec	Dec	Jan-Dec	Dec
Toyota	31.5	239,328	27,063	-1.8	-18.3
Isuzu	24.3	184,160	18,801	1.6	-18.0
Honda	11.7	88,692	11,556	-4.7	14.7
Mitsubishi	6.2	47,188	5,763	-17.8	-4.3
Mazda	4.7	35,384	3,750	-9.9	-28.6
Ford	4.3	32,388	4,123	8.3	-10.4
MG	4.1	31,005	3,765	9.5	-2.2
Nissan	3.9	29,696	3,592	-33.4	-1.9
Suzuki	2.9	22,378	3,142	-12.3	-10.0
Hino	1.8	13,840	1,458	34.3	1.6
Others	4.6	35,060	7,997	-9.8	-17.2
Total	100.0	759,119	91,010	-4.2	-12.6

Farm income

- Farm income in December dropped at a lower rate of 1.3% over the previous month. This was attributed to rising agricultural prices and production. The main causes affecting agricultural prices during the period were a hike in livestock prices caused by decreasing livestock supply. In terms of rising agricultural production, the main cause came from the expansion of sugarcane cultivation.

Farm income and components



Farm income and components in 2021

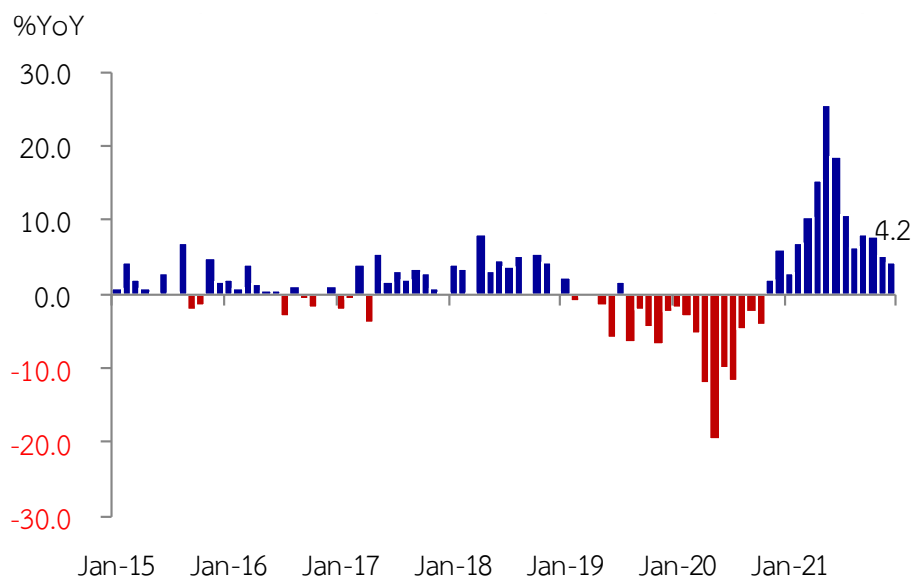
Item	Farm Income		Agricultural price		Agricultural production	
	Nov	Dec	Nov	Dec	Nov	Dec
Agriculture	-4.1	-1.3	-3.2	-2.3	-0.9	1.1
Paddy	-15.7	-16.7	-14.1	-13.5	-1.8	-3.6
Sugarcane	N.A.	144.1	30.3	22.4	N.A.	99.5
Cassava	20.0	9.9	18.0	11.1	1.7	-1.1
Maize	22.8	2.8	14.0	13.5	7.7	-9.5
Rubber, uss3	-4.7	-6.3	-5.2	-6.6	0.6	0.3
Durian	-28.2	-4.5	-35.4	-35.4	11.1	47.7
Palm kernel (weight over 15 kg.)	73.4	65.1	29.9	28.8	33.5	28.2
Coconut	-29.0	-33.0	-27.9	-23.8	-1.5	-12.1
Swine (weight over 100 kg.)	-23.9	-16.3	-2.0	9.1	-22.4	-23.2
Fowl	26.6	-7.0	7.1	17.0	18.1	-20.5
Egg, chicken	-5.9	0.6	-3.3	3.0	-2.6	-2.4
Shrimp, Vannamei	-21.0	4.0	8.0	6.3	-26.8	-2.2

Source : OAE

Private investment

- Private investment indicators in December went up by 4.2%YoY, lower than a 5.3% increase in the previous month.
- After the seasonal adjustment, the indicators also kept growing at 1.7% over the previous month, boosted by the hike in the machinery and equipment investment as well as construction investment in accordance with demand recovery and a rise in business sentiment.

Growth rate of private investment index



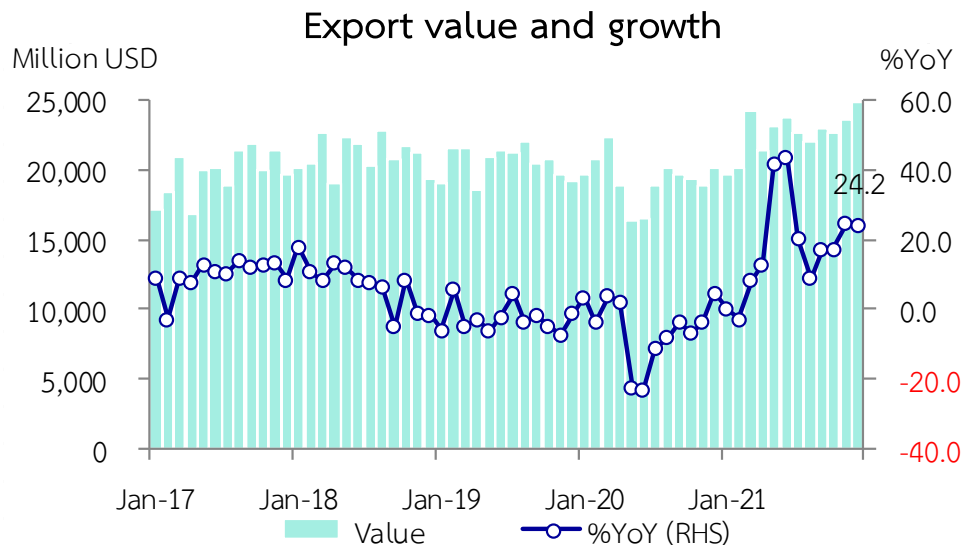
Private investment indicators

%YoY	2020	2021	2021		Nov	Dec	%MoM
			H1	H2			
Permitted construction area	-2.6	-6.2	-10.0	-2.2	3.1	1.4	-0.3
Construction material sales index	-2.4	-2.4	0.1	-5.2	-4.1	2.0	9.0
Real imports of capital goods	-11.4	17.7	20.1	15.4	6.9	4.8	3.1
Real domestic machinery sales	-6.1	19.0	24.7	13.8	10.3	10.1	1.4
Number of newly registered motor vehicles for investment	-10.9	0.2	9.0	-8.6	5.3	-4.5	-7.2
Private investment index	-5.5	7.1	12.8	2.3	5.3	4.2	1.7

Note: %MoM is calculated from seasonally adjusted data

Export of goods

- Thailand's merchandise exports in December were valued at 24,930 million USD or a 24.2%YoY expansion. The growth rate rose in double-digits for the fourth consecutive month, thanks to the economic recovery of key trading partners.
- For the whole year, the exports expanded by 17.1%YoY to 271,174 million USD, with robust demand for key products including automobiles, electronics, and electrical appliances. In addition, the improved environment related to the electronic component shortage, higher crude oil price, and the depreciation of baht helped increase competitiveness and the value of export-related products.



Export value to key markets in 2021

Market	Share Jan-Dec (%)	Jan-Dec		Dec	
		Million USD	%YoY	Million USD	%YoY
Total	100.0	271,174	17.1	24,930	24.2
ASEAN	24.0	65,015	17.2	6,080	24.0
U.S.A.	15.4	41,768	21.5	4,056	36.5
China	13.7	37,204	24.8	3,196	14.0
EU	9.3	25,142	21.2	2,214	19.4
Japan	9.2	24,985	9.5	2,066	1.0
Hong Kong	4.3	11,589	2.6	1,200	23.5
Australia	4.0	10,902	10.9	1,118	54.9
Middle East	3.3	8,853	19.8	901	32.2
India	3.1	8,534	55.1	748	25.9
South Korea	2.2	5,883	38.5	510	34.9

Commodity price & Exchange rate	Jan-Dec		Dec	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	68.8	63.2	72.8	47.7
Gold price (USD/troy oz)	1,799.6	1.7	1,790.4	-3.7
Exchange rate (THB/USD)	32.0	2.2	33.6	11.5
NEER index	117.9	-3.8	114.4	-7.1

Source : MOC, BOT, World Bank

Export of goods in 2021

Major product	Share Jan-Dec (%)	Jan-Dec		Dec	
		Million USD	%YoY	Million USD	%YoY
Total exports	100.0	271,174	17.1	24,930	24.2
Agriculture	9.6	26,050	23.5	2,230	21.1
- Rice	1.3	3,400	-8.9	385	24.9
- Rubber	2.1	5,590	58.6	517	22.7
- Tapioca	1.4	3,930	46.7	410	48.1
- Fruits	2.2	6,086	48.9	329	23.7
- Fishery	0.6	1,701	8.6	143	13.5
Agro-industrial	7.1	19,265	6.7	1,714	24.1
- Prepared or preserved seafood	1.3	3,491	-10.6	320	9.9
- Cane sugar and molasses	0.6	1,552	-16.5	129	122.8
- Wheat products and other food	0.9	2,344	5.3	223	18.5
- Beverages	0.7	1,932	0.1	159	-1.4
Manufacturing	79.5	215,589	16.0	20,091	24.0
- Automotive	14.1	38,290	28.7	3,666	38.4
- Electronics	15.8	42,902	17.5	4,225	20.2
- Electrical appliances	10.4	28,276	20.3	2,579	16.7
- Precious stones and jewelry	3.7	10,045	-44.8	827	29.0
- Unwrought gold	1.4	3,884	-70.9	240	28.3
- Rubber products	5.3	14,469	19.4	1,194	1.7
- Petro-chemical products	4.1	11,248	41.1	957	25.5
- Chemicals	3.6	9,797	45.5	909	38.9
- Machinery & equipment	2.9	7,980	21.6	699	6.2
- Apparels & textile	2.4	6,526	13.6	601	15.5
- Metal & steel	2.5	6,796	40.1	588	28.4
Mining & Fuel	3.8	10,269	56.7	896	37.5

Product	Dec	
	Million USD	%YoY
Automotive	3,666	38.4
- Passenger car	1,106	47.3
- Pick up and trucks	919	154.6
- Motorcycle	316	15.1
- Spark-ignition reciprocating internal combustion	371	25.7
- Parts & accessories	849	-2.4

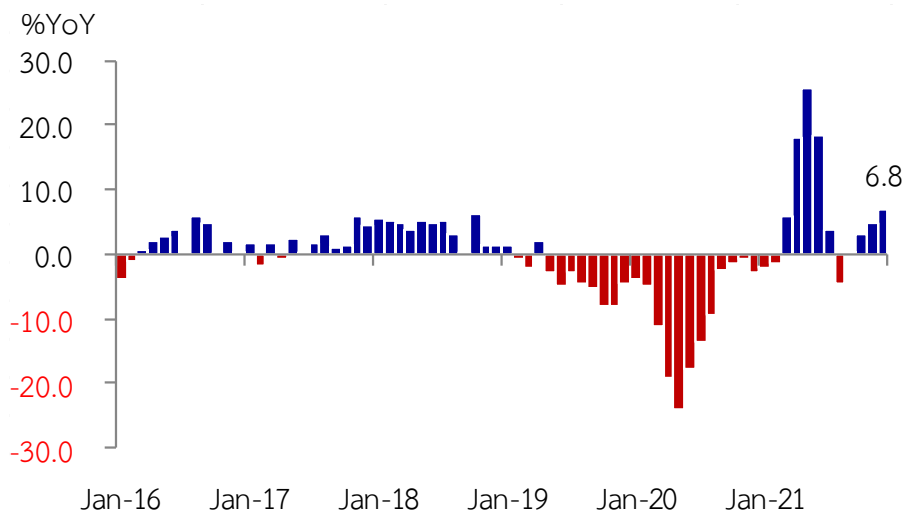
Product	Dec	
	Million USD	%YoY
Electronics	4,225	20.2
- Computer parts	2,323	28.6
- HDD	1,495	52.9
- Printed circuits	767	11.5
- Telecommunication	333	12.2
- Semi-conductor devices, transistors, diodes	249	16.9

Source : MOC

Manufacturing production

- Manufacturing Production Index in December grew by 6.8%YoY, higher than 4.9%YoY increase in November, thanks to recovery in demand and easing of supply disruptions.
- The overall MPI for 2021, the index posted a 5.9%YoY increase against a 9.3%YoY contraction in 2020. The recovery in manufacturing production was moved in line with strong growth in exports.

Growth rate of manufacturing production index



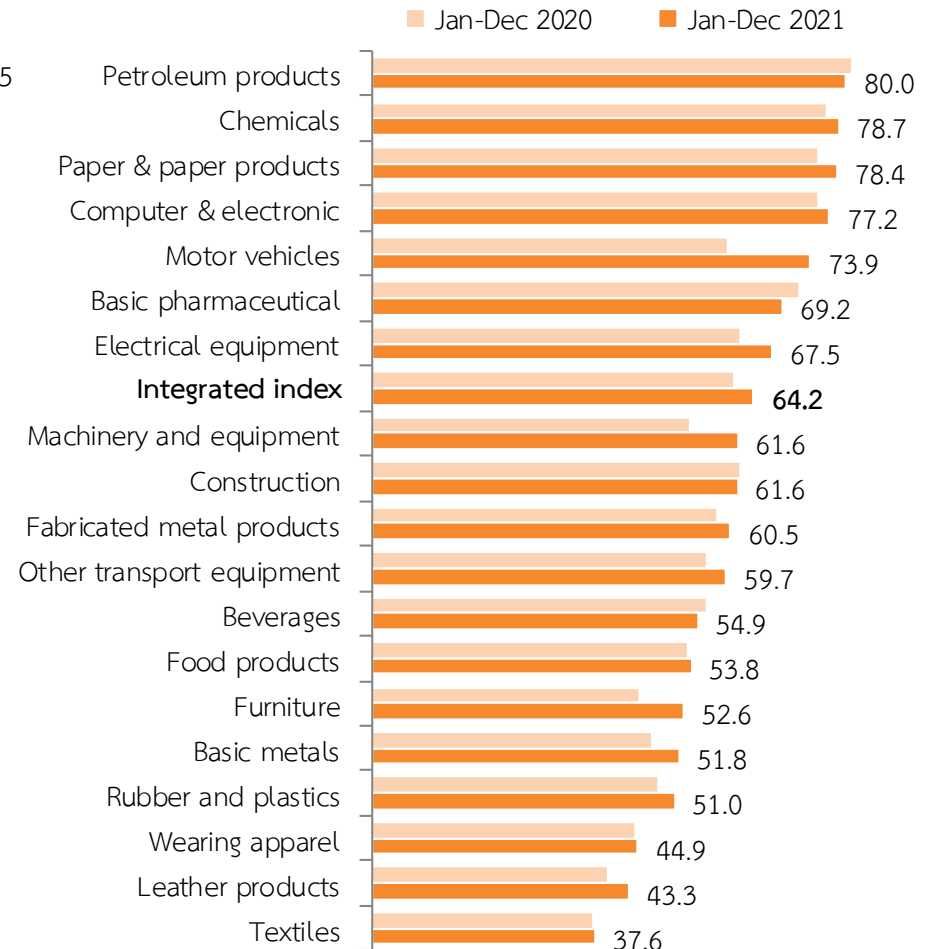
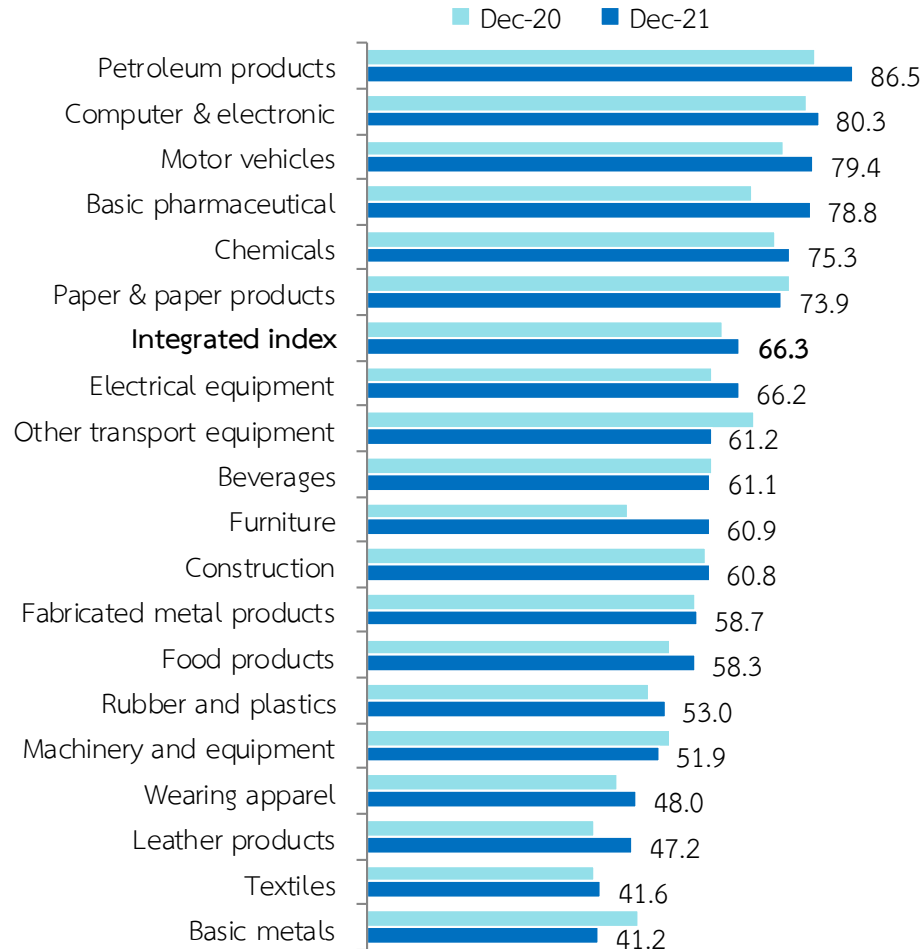
Manufacturing Production Index (MPI)

%YoY	2020	2021	2021				
			H1	H2	Nov	Dec	%MoM
Overall MPI	-9.3	5.9	9.5	2.4	4.9	6.8	1.1
Automotive	-28.9	19.0	40.5	3.0	-1.4	8.7	-7.4
IC and semiconductors	1.9	15.1	16.0	14.2	21.8	13.2	-3.1
Basic metal	-7.1	14.4	24.0	5.1	6.8	-11.8	-18.7
Electrical appliances	5.5	6.4	20.1	-5.4	-0.9	4.0	-11.0
Rubbers and plastics	-7.8	6.0	7.2	4.7	0.2	7.4	3.0
Fabricated metal products	-3.3	4.3	14.1	-4.4	-3.2	-1.5	-1.5
Chemicals	-3.2	3.9	4.2	3.5	9.2	7.7	1.8
Papers	-0.1	3.5	5.0	2.0	1.4	-1.6	-3.6
Food	-6.1	3.1	3.2	3.0	5.7	11.7	16.1
Hard disk drive	-2.8	1.1	9.5	-6.6	-11.2	0.3	23.6
Basic pharmaceutical	1.3	1.0	-9.0	11.6	24.4	27.5	-8.0
Beverage	-6.2	-0.3	7.3	-7.4	8.1	-0.6	2.2
Cements and construction	-5.0	-0.8	1.5	-3.2	-0.2	1.2	1.8
Petroleum	-7.0	-2.3	-6.4	1.8	11.9	7.5	1.1
Textiles	-22.5	-2.4	-2.0	-2.8	-3.1	-2.3	0.2
Wearing apparels	-20.7	-7.7	-17.3	5.7	25.9	5.0	6.6

Source : OIE

Capacity utilization rate of major industries

- The capacity utilization rate in December was at 66.3%, rising from 63.2% in the same period last year, which moved in accordance with recovery in manufacturing production. For the full-year 2021, the capacity utilization rate grew by 64.2%, when compared to 61.0% in 2020, with almost all industries performing well, especially the export-oriented industries.

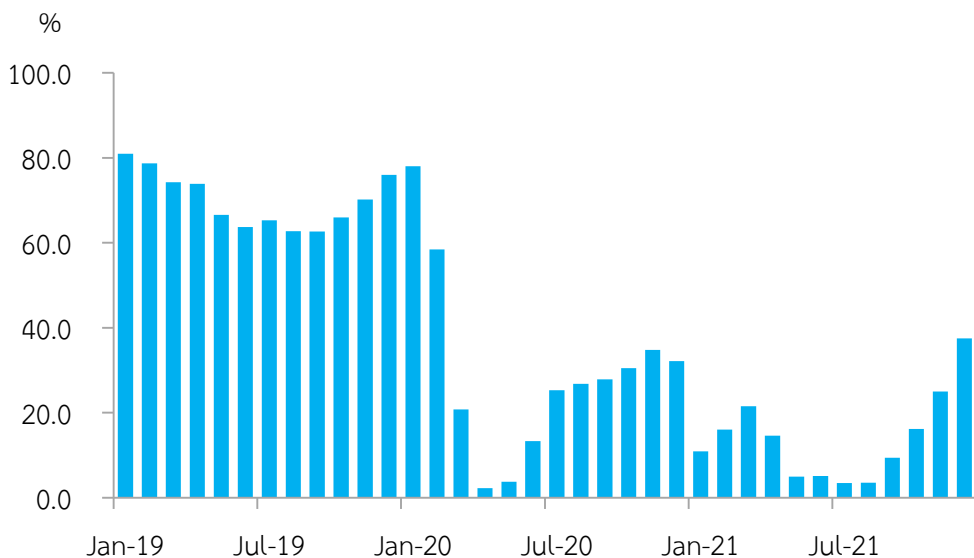


Source : OIE

Tourism sector

- The number of foreign tourist arrivals rose dramatically from 91,255 in November to 230,497 in December, thanks to the country's reopening scheme effective from November 1, 2021. During the month, European travelers topped the list of foreigners entering the country with 149,314 arrivals. However, the number was still low when compared to that in the pre-pandemic years as international travel restrictions in many countries remained in place.
- The average occupancy rate of hotels nationwide accelerated from the previous month, especially in the North, the most visited destination during the festive season. 85% of the total tourism income in December generated from domestic travelers, indicating that domestic tourism played a key role in driving the pandemic-ravaged travel industry at a time of low foreign tourist arrivals.

Average occupancy rate



Average occupancy rate classified by area

%	2020	2021	2021					
			H1	H2	Q3	Q4	Nov	Dec
West	39.5	21.4	19.8	23.0	5.2	40.8	41.0	54.1
North	38.7	19.8	16.7	22.9	7.9	37.9	37.6	56.3
Northeast	34.4	18.2	19.1	17.3	5.3	29.3	26.2	46.4
East	30.0	14.8	9.4	20.2	5.7	34.7	34.3	42.2
Central exc. Bangkok	27.1	13.1	11.8	14.4	4.0	24.8	23.8	35.6
Bangkok	28.2	13.0	10.2	15.9	7.9	23.9	24.2	31.8
South	21.8	8.4	8.4	8.4	2.8	13.9	10.7	22.9
Overall	29.5	14.0	12.2	15.9	5.5	26.2	25.0	37.5

Source : MOTs

End of Presentation

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