

Economic Update for March 2021



Business Research Office
Data Governance and Analytics Group

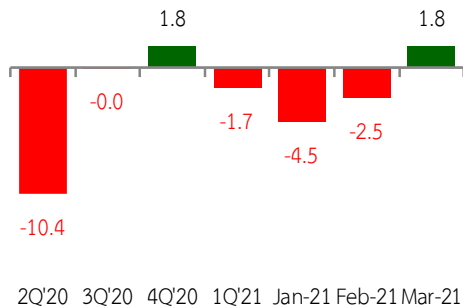
May 10, 2021

Highlight in March 2021

In March 2021, the Thai economy gradually improved, supported by the easing of the second wave of COVID-19 infections. Private consumption indicators recovered thanks to improvement in economic activities and the government's stimulus measures. Meanwhile, the value of merchandise exports surged at a higher rate consistent with trading partners' demand. This subsequently supported a continued expansion of private investment indicators.

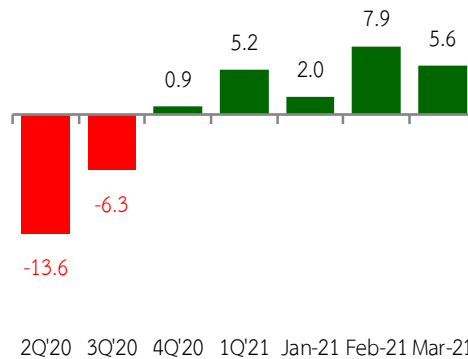
Private consumption

Private consumption turned to expand by 1.8%YoY, thanks to an improvement in economic activities after the 2nd wave of the pandemic tapered together with the government's stimulus measures.



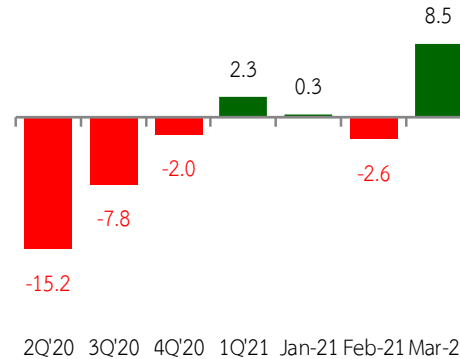
Private investment

Private investment continued to expand in accordance with rising growth in the machinery and equipment category as well as the export recovery.



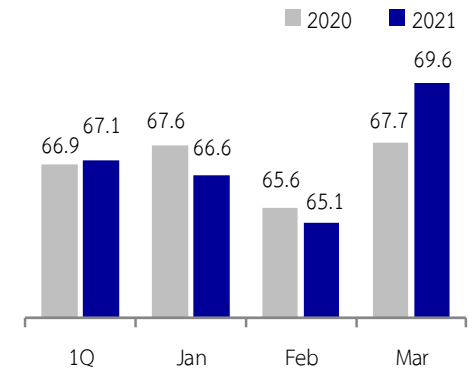
Export of goods

The value of merchandise exports in March rose 8.5%YoY, hitting a monthly record high in dollar terms. The export growth was bolstered by the recovery of trading partners' demand.



Capacity utilization

Capacity utilization rate increased significantly to 69.6% from 65.1% in the previous month as production grew amid the global economic recovery.



Farm income

Farm income continued to expand mainly from agricultural prices.

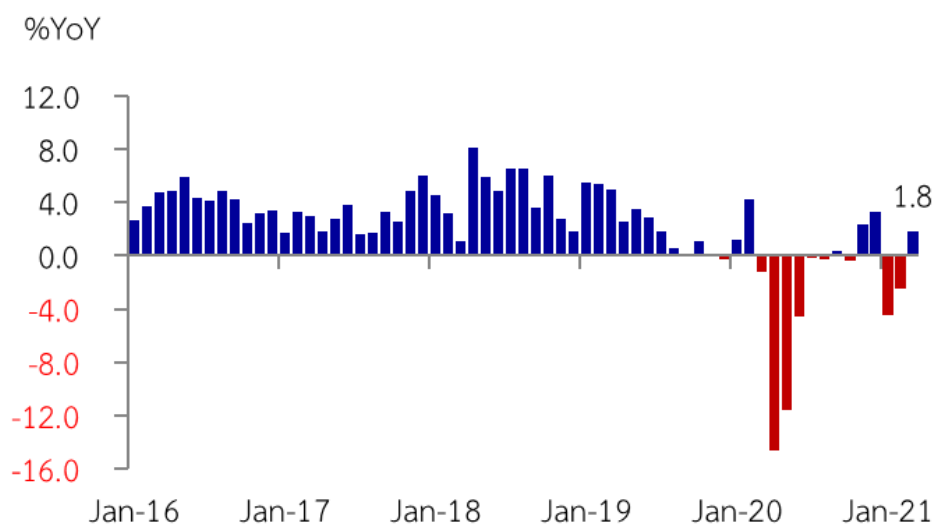
Tourism sector

The country continued to face a tourism slump with a huge decline in the number of foreign tourists visiting Thailand following the ongoing international travel restrictions.

Private consumption

- Private consumption indicators expanded by 1.8% in March after suffering from a 2.5% contraction in the previous month. The recovery was attributed to the improvement in economic activities after the second wave of the outbreak subsided and the government's stimulus measures that helped support an increased household consumption across all spending categories. Moreover, private consumption growth could find some support from the low base effect caused by the first wave of the outbreak in the same period last year.

Growth rate of private consumption index



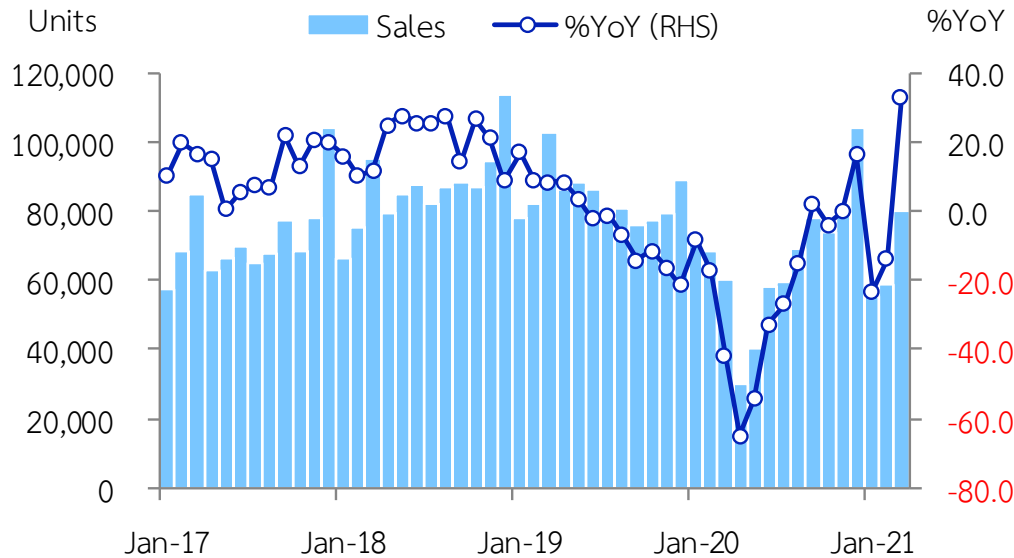
Private consumption indicators

%YoY	2020	2020			2021		
		H1	H2	Q4	Q1	Feb	Mar
Non-durable index	-1.7	-2.6	-0.8	-1.9	-4.5	-3.2	-1.8
Semi-durable index	-3.5	-3.6	-3.3	-2.5	2.8	5.7	6.0
Durable index	-12.3	-20.6	-4.3	1.1	-2.2	-7.7	13.3
Services index	-21.3	-18.9	-23.6	-23.4	-18.3	-19.7	-2.9
(Less) Net tourism spending	-76.6	-59.6	-91.5	-91.2	-90.4	-91.6	-71.1
Private consumption index	-1.9	-4.6	0.9	1.8	-1.7	-2.5	1.8

Domestic vehicle sales

- Domestic vehicle sales jumped 33.0%YoY to 79,969 units, mainly due to low base in the same period last year. In the first quarter of 2021, there were 194,137 domestic vehicle sales and Toyota still had the largest market share of 27.8%.
- Regarding sales by brand, March was the first month of the year 2021 that all brands recorded their sales growth. The vehicle market during the month was lifted by the Bangkok motor show, which was held in the last week of March and in early April. Besides, historically low interest rates also supported their vehicle sales.

Domestic new vehicle sales



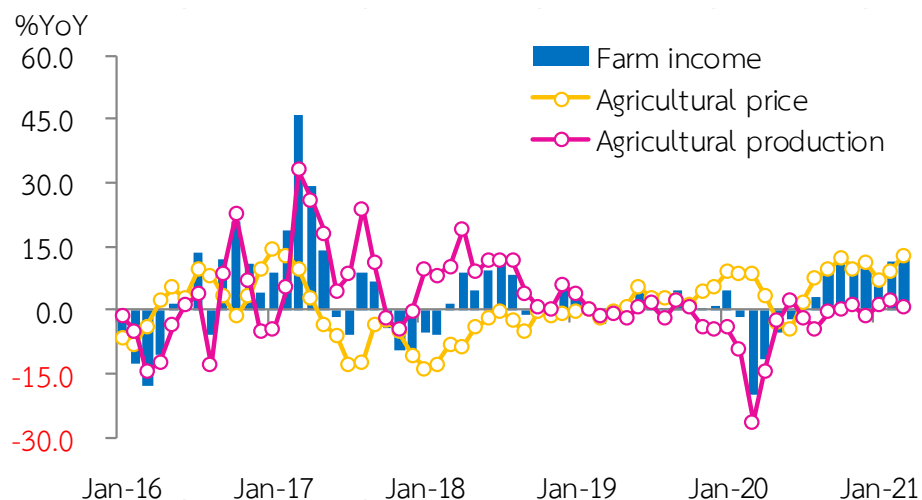
Top 10 new vehicle sales by brand in 2021

Brand	Share (%) Jan-Mar	Sales (units)		Change (%YoY)	
		Jan-Mar	Mar	Jan-Mar	Mar
Toyota	27.8	55,772	22,233	-0.5	28.6
Isuzu	21.9	49,248	17,523	16.2	28.6
Honda	12.9	24,959	10,295	-13.0	37.2
Mitsubishi	6.4	12,085	5,123	-28.8	2.5
Mazda	5.8	10,890	4,644	7.3	49.2
Nissan	4.8	8,557	3,832	-36.6	18.4
Ford	4.0	8,120	3,212	12.6	45.5
MG	3.7	7,519	2,967	22.7	35.7
Suzuki	2.5	5,186	2,000	-20.6	13.2
Hino	1.7	3,380	1,348	62.7	89.3
Others	8.5	8,421	6,792	-18.7	95.8
Total	100.0	194,137	79,969	-3.0	33.0

Farm income

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

Farm income and components



%YoY	2020	2020			2021		
		H1	H2	Q4	Q1	Feb	Mar
Farm income	1.0	-6.6	7.9	11.3	11.2	11.4	13.4
Agricultural price	6.1	3.5	8.7	11.1	9.7	9.1	12.8
Agricultural production	-4.8	-9.8	-0.8	0.2	1.3	2.1	0.6

Farm income and components in 2021

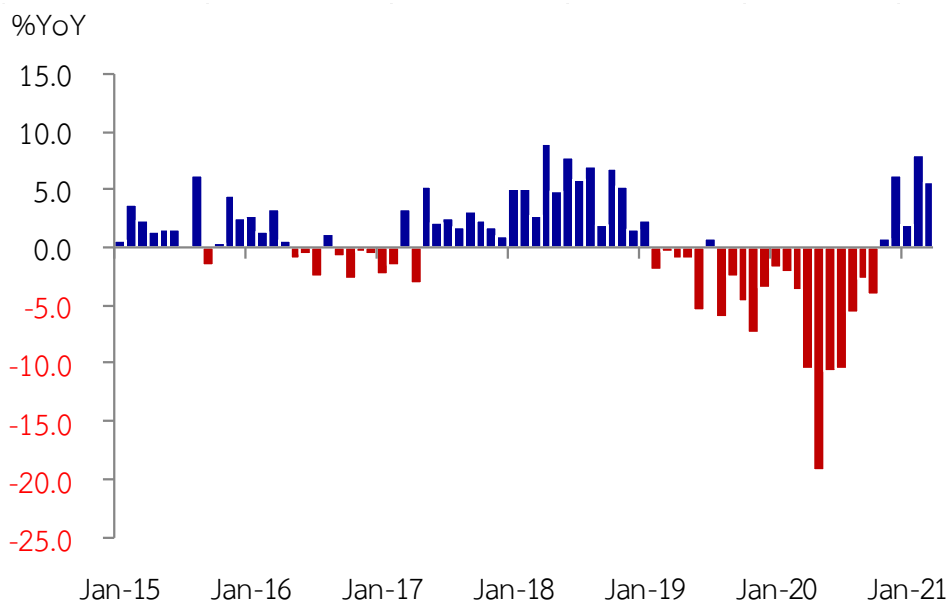
Item	Farm Income		Agricultural price		Agricultural production	
	Feb	Mar	Feb	Mar	Feb	Mar
Agriculture	11.4	13.4	9.1	12.8	2.1	0.6
Paddy	-2.2	0.5	-7.3	-9.2	5.5	10.7
Sugarcane	17.4	14.9	31.3	30.3	-10.6	-11.8
Cassava	9.8	0.4	8.1	12.5	1.6	-10.7
Maize	19.5	11.7	9.2	8.7	9.4	2.8
Rubber, uss3	36.6	59.7	35.0	57.4	1.2	1.5
Durian	132.2	19.4	26.4	19.1	83.7	0.2
Palm kernel (weight over 15 kg.)	15.8	23.7	28.5	26.9	-9.9	-2.5
Coconut	-25.8	-16.1	-6.4	-6.7	-20.7	-10.1
Swine (weight over 100 kg.)	12.1	14.2	8.8	10.9	3.1	3.0
Fowl	-9.5	-10.0	-10.9	-11.3	1.5	1.5
Egg, chicken	0.3	-1.4	-0.6	-2.3	0.9	0.9
Shrimp, Vannamei	-19.5	0.2	-2.6	10.6	-17.4	-9.4

Source : OAE

Private investment

- For the third straight month of 2021, the expansion of private investment indicators continued in March mainly supported by the machinery and equipment category that grew well in accordance with the country's export recovery. During the month, real imports of capital goods kept rising at 18.3%YoY with an accelerated growth of exports at 8.5%YoY.
- However, construction investment remained subdued, reflecting several adverse activities in the real estate and construction sectors.

Growth rate of private investment index



Private investment indicators

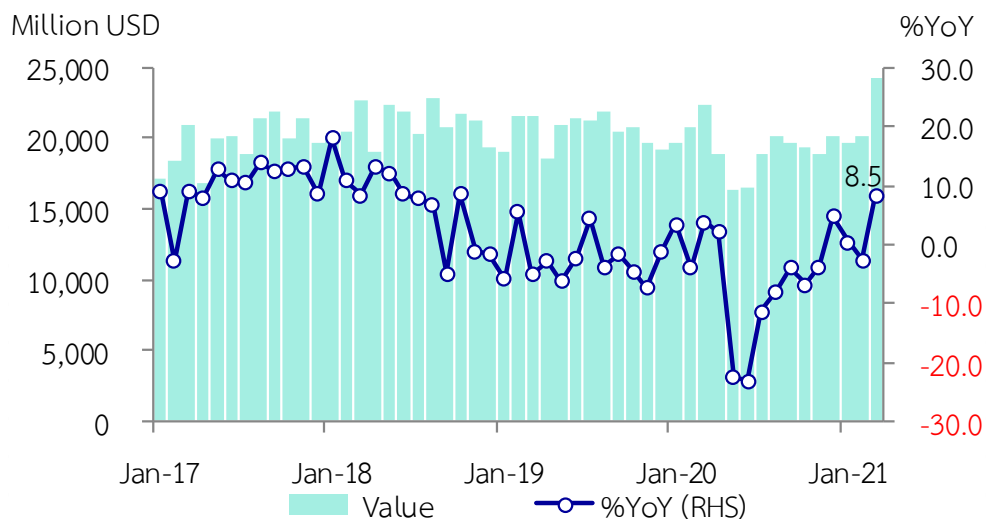
%YoY	2020	2020			2021		
		H1	H2	Q4	Q1	Feb	Mar
Permitted construction area	-2.7	-1.3	-4.2	-0.7	-9.8	-9.5	-9.9
Construction material sales index	-3.5	-2.1	-4.9	-5.9	2.0	-0.9	3.2
Real imports of capital goods	-11.4	-14.1	-8.8	-3.8	15.4	31.4	18.3
Real domestic machinery sales	-4.8	-10.2	0.7	7.3	6.2	7.8	5.0
Number of newly registered motor vehicles for investment	-10.9	-17.8	-2.6	5.8	0.1	-5.2	9.3
Private investment index	-5.2	-8.0	-2.5	0.9	5.2	7.9	5.7

Source : BOT

Export of goods

- The country's exports in March were quite satisfactory as reflected by 8.5% increase in exports to 24,222 million USD, thanks to a recovery of trading partner economies.
- The potential products seeing higher demand during the month included automotive and parts, electrical appliances, and agro-manufacturing products.

Export value and growth



Export value to key markets in 2021

Market	Share Jan-Mar (%)	Jan-Mar		Mar	
		Million USD	%YoY	Million USD	%YoY
Total	100.0	64,148	2.3	24,222	8.5
ASEAN	24.0	15,359	-5.5	5,770	-0.4
U.S.A.	14.9	9,621	12.5	3,678	7.2
China	12.3	8,015	20.6	3,109	35.4
EU	10.5	6,422	7.5	2,501	31.2
Japan	9.8	6,432	6.2	2,258	4.6
Australia	4.5	2,956	19.8	1,156	14.9
Hong Kong	3.5	2,482	-19.3	955	-26.8
Middle East	3.8	2,182	-4.5	793	-6.3
India	3.1	1,940	8.0	718	28.3
South Korea	2.0	1,335	19.5	527	40.9

Commodity price & Exchange rate	Jan-Mar		Mar	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	59.5	17.4	64.0	89.5
Gold price (USD/troy oz)	1,797.8	13.6	1,718.2	7.9
Exchange rate (THB/USD)	30.3	-3.3	30.8	-4.1
NEER index	122.8	-0.4	121.9	0.1

Source : MOC, BOT, World Bank

Export of goods

Major product	Share Jan-Mar (%)	Jan-Mar		Mar	
		Million USD	%YoY	Million USD	%YoY
Total exports	100.0	64,148	2.3	24,222	8.5
Agriculture	9.0	5,748	12.9	2,084	11.5
- Rice	1.1	733	-22.0	211	-40.5
- Rubber	2.2	1,441	38.1	587	109.2
- Tapioca	1.7	1,094	52.2	409	59.2
- Fruits	1.1	675	16.2	189	-42.8
- Fishery	0.5	343	-8.0	135	3.7
Agro-industrial	7.0	4,469	-2.2	1,696	0.9
- Prepared or preserved seafood	1.4	875	-0.1	328	4.2
- Cane sugar and molasses	0.5	335	-49.4	97	-61.6
- Wheat products and other food	0.9	585	3.5	218	0.6
- Beverages	0.8	511	1.1	206	9.2
Manufacturing	80.8	51,863	2.0	19,693	8.5
- Automotive	16.1	10,341	8.7	3,936	11.7
- Electronics	15.5	9,918	12.7	3,687	13.5
- Electrical appliances	11.1	7,137	14.8	2,694	20.9
- Precious stones and jewelry	2.8	1,806	-66.8	772	-54.5
- Unwrought gold	0.7	449	-88.4	233	-81.5
- Rubber products	6.1	3,932	32.5	1,503	50.6
- Petro-chemical products	4.0	2,543	31.8	1,014	52.9
- Chemicals	3.2	2,039	16.7	748	27.0
- Machinery & equipment	3.0	1,956	8.2	718	15.0
- Apparels & textile	2.4	1,569	-5.2	588	12.5
- Metal & steel	2.5	1,580	17.9	639	34.8
Mining & Fuel	3.2	2,068	-5.9	750	20.1

Product	Mar	
	Million USD	%YoY
Automotive	3,936	11.7
- Passenger car	970	14.0
- Pick up and trucks	1,080	120.1
- Motorcycle	398	40.9
- Spark-ignition reciprocating internal combustion	378	8.5
- Parts & accessories	994	26.7

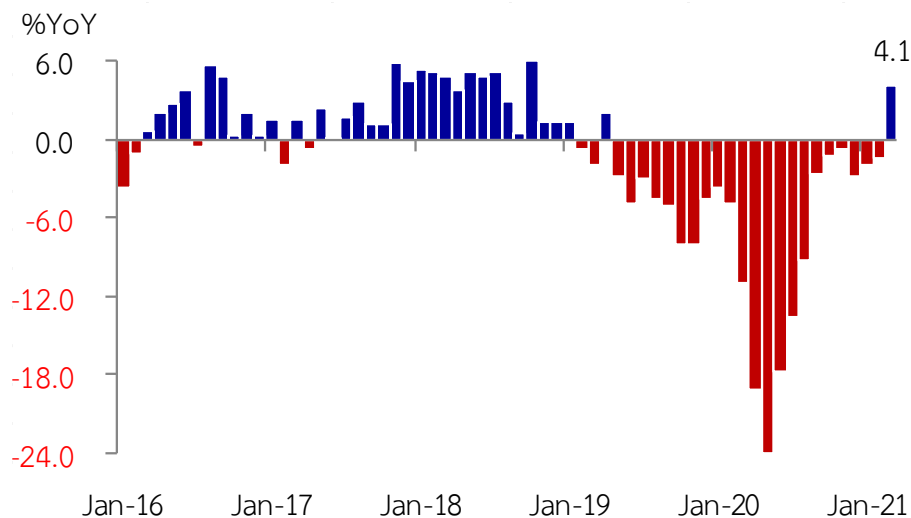
Product	Mar	
	Million USD	%YoY
Electronics	3,687	13.5
- Computer parts	1,815	4.3
- HDD	1,022	-15.5
- Printed circuits	740	18.9
- Telecommunication	247	54.4
- Semi-conductor devices, transistors, diodes	282	12.3

Source : MOC

Manufacturing Production

- Manufacturing production index bounced back to a positive path with a rate of 4.1% in March. The rise in MPI was driven by rising production of several categories, especially food and beverage, on the back of the government's stimulus schemes such as Rao Chana, Rao Ruk Kan, and Khon La Khrueng. The automotive and electrical appliances production also increased in line with an increasing in domestic and external demand.

Growth rate of manufacturing production index



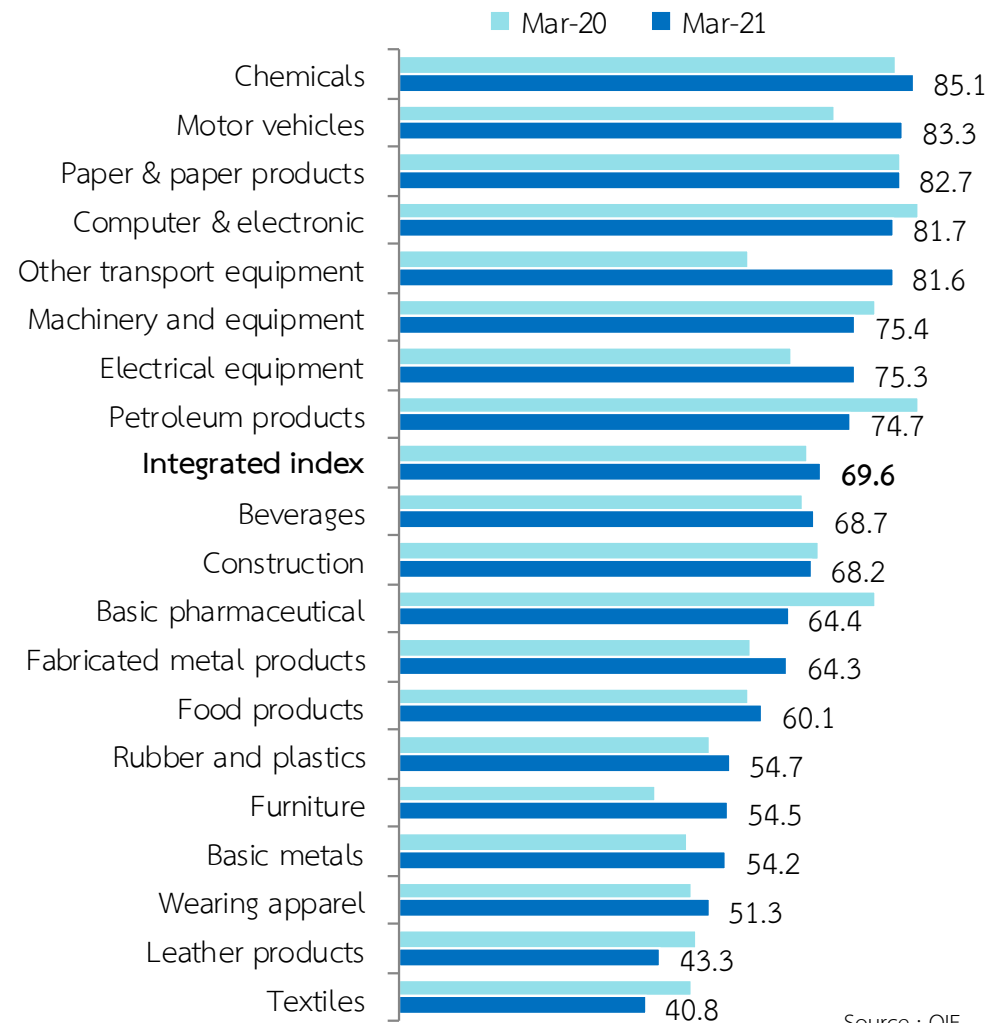
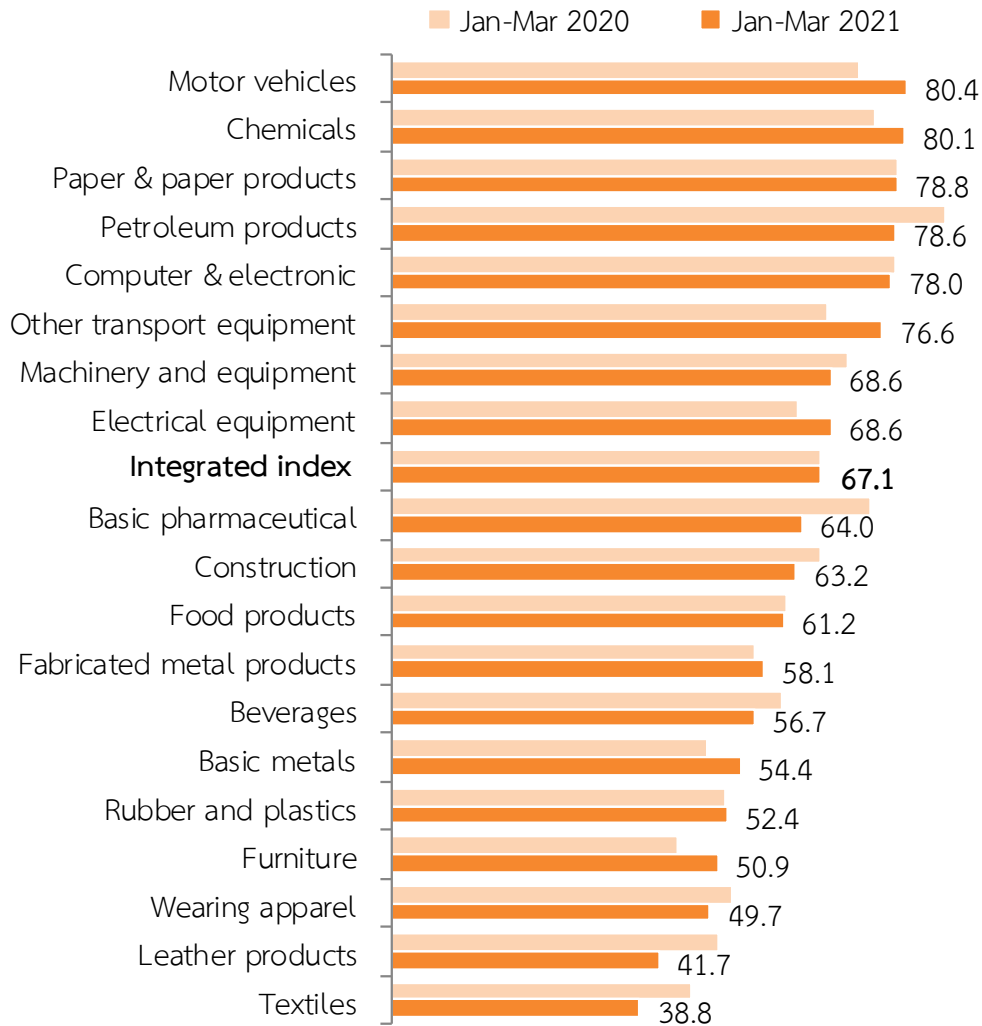
Manufacturing Production Index (MPI)

%YoY	2020	2020			2021		
		1H	2H	Q4	Q1	Feb	Mar
Overall MPI	-9.3	-13.2	-5.1	-1.6	0.3	-1.3	4.1
Electrical appliances	5.5	-5.2	16.8	16.4	11.3	6.5	19.6
Basic metal	-7.1	-12.9	-0.8	5.2	14.7	16.2	19.2
IC and semiconductors	1.9	-0.4	4.1	6.4	11.2	8.2	13.4
Fabricated metal products	-3.3	-10.4	4.0	7.1	3.5	-0.6	9.9
Food	-6.1	-8.0	-3.8	-4.4	2.3	2.9	8.0
Automotive	-28.9	-42.5	-13.8	4.4	3.3	5.2	7.9
Beverage	-6.2	-11.3	-1.1	-6.7	-5.7	-13.8	4.9
Rubbers and plastics	-7.8	-11.4	-4.1	-1.3	-0.9	-3.9	3.9
Hard disk drive	-2.8	3.1	-7.6	-5.0	2.9	0.8	3.2
Chemicals	-3.2	-3.2	-3.3	-6.1	5.3	7.2	2.4
Papers	-0.1	-0.6	0.5	3.7	-0.7	-3.1	0.3
Cements and construction	-5.0	-3.7	-6.3	-6.0	-3.9	-8.8	-1.3
Wearing apparels	-20.7	-9.0	-32.7	-33.9	-19.7	-38.5	-1.8
Basic pharmaceutical	1.3	5.6	-2.8	-1.0	-8.4	-16.0	-9.3
Petroleum	-7.0	-9.9	-3.8	0.2	-13.9	-18.5	-12.1
Textiles	-22.5	-24.7	-20.0	-10.8	-16.4	-23.3	-15.2

Source : OIE

Capacity utilization rate of major industries

- In March 2021, the capacity utilization rate stood at 69.6%, higher from 67.7% in the same period last year, as production grew amid the global economic recovery, absence of lockdowns and the easing of the 2nd wave of COVID-19 infections in the country.

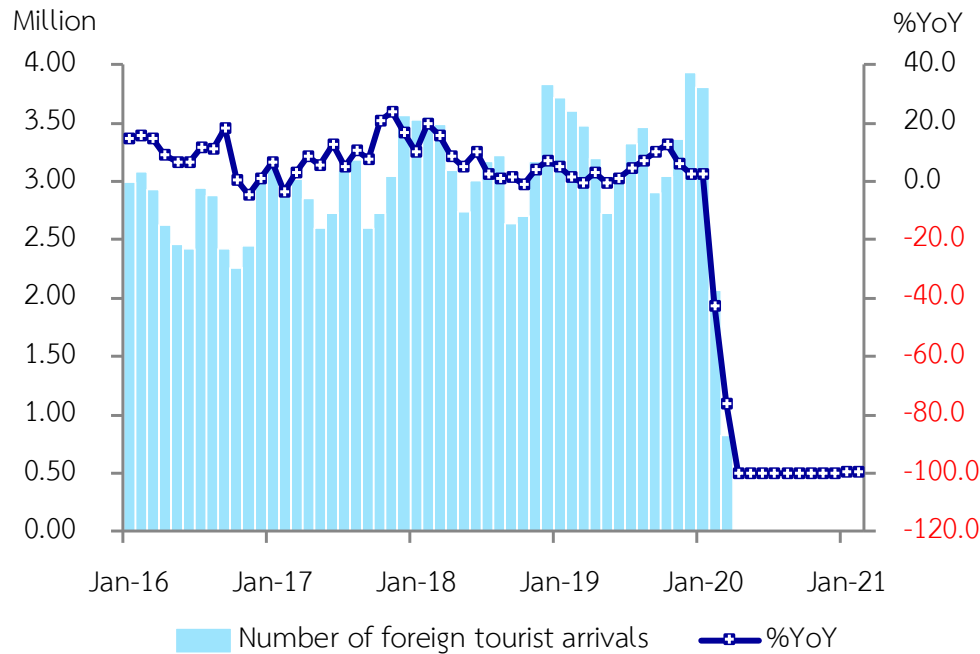


Source : OIE

Tourism sector

- The ongoing international travel restrictions still clouded the tourism market, reflecting in 6,737 fewer foreign tourist arrivals in March. Since the government has yet to reopen the plan for international arrivals, the focus changed to domestic travelers, helping shore up overall occupancy rate continuously. However, the occupancy rate of 21.5% during the month remained unprofitable.

International tourist arrivals



Occupancy rate

%	2020	2020			2021		
		H1	H2	Q4	Q1	Feb	Mar
West	39.5	30.0	49.2	50.9	27.5	30.6	38.6
Northeast	34.4	26.0	42.8	48.1	30.0	30.3	36.3
North	38.7	29.9	47.4	54.7	24.1	25.0	27.4
Central exc. Bangkok	27.1	23.8	30.8	32.8	18.1	18.9	23.9
East	30.0	28.6	31.2	32.4	10.3	10.1	16.5
South	21.8	27.7	15.7	17.4	10.6	9.5	15.6
Bangkok	28.2	34.8	21.6	23.6	10.8	10.0	14.9
Overall	29.5	29.4	29.6	32.5	16.2	16.0	21.5

Source : BOT, MOTS

End of Presentation

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