

Economic Update for February 2021



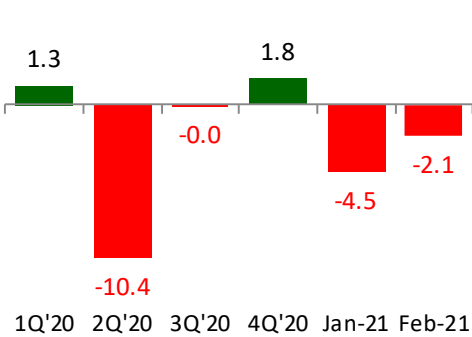
Business Research Office
Data Governance and Analytics Group
April 8, 2021

Highlight in February 2021

In February 2021, the Thai economy gradually recovered due mainly to a slower spread of Covid-19. Private consumption and investment improved, partly due to stimulus measures from the government.

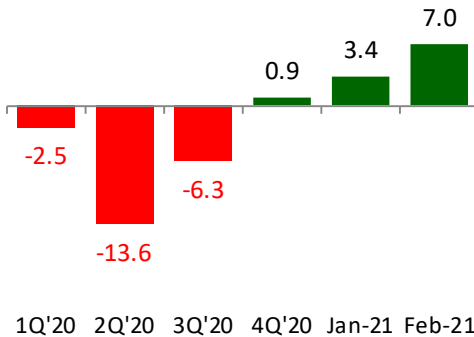
Private consumption

Private consumption shrank at a smaller rate, thanks to improvement in all spending categories because of the relaxation of containment measures.



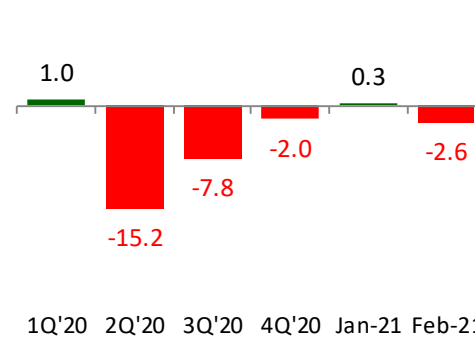
Private investment

Private investment moved at a greater pace in February, due to the rapid growth in investment in machinery and equipment caused by rising imports of capital goods.



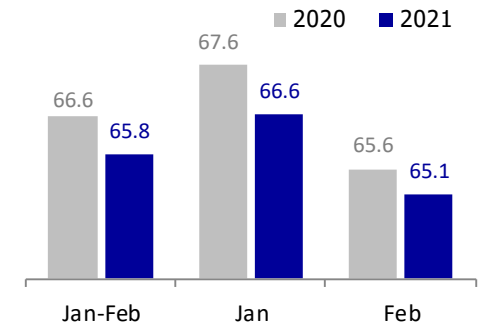
Export of goods

The value of merchandise exports declined 2.6%YoY. Excluding oil, gold, and weapons, the export value continued to grow in line with a recovery in trading partners' demand.



Capacity utilization

Capacity utilization rate decreased to 65.1% from 66.6% in the previous month caused mainly by decreased manufacturing of beverage, petroleum, and garment.



Farm income

Farm income expanded close to the previous month, mainly due to higher agricultural prices.

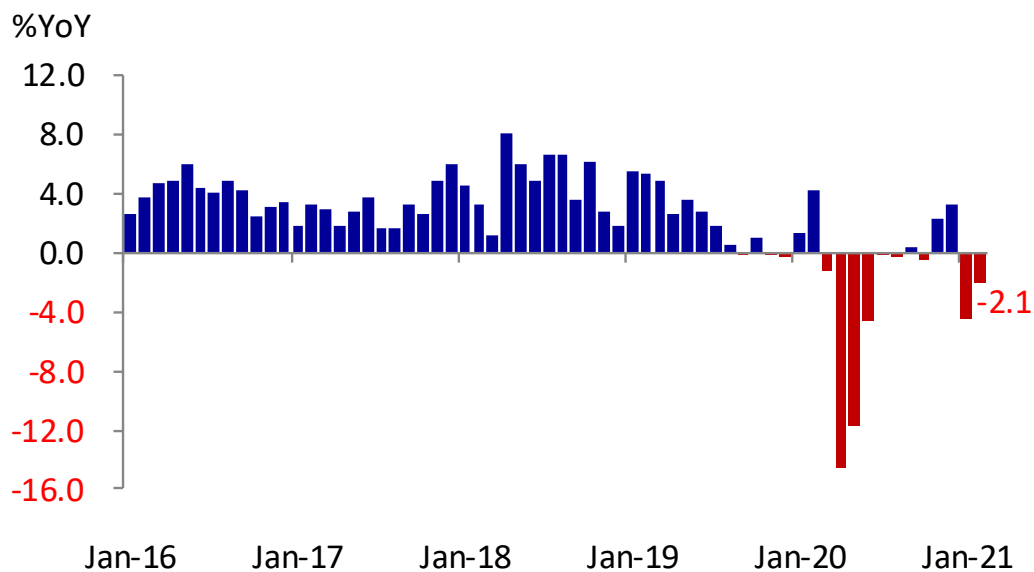
Tourism sector

The slump in the tourism sector continued as a result of the very less number of foreign tourist arrivals caused by the ongoing international travel restrictions.

Private consumption

- Private consumption indicators fell by 2.1%YoY in February, easing from a 4.5% contraction in the previous month. The improvement in private consumption indicators was attributed to the recovery in all spending categories, especially for non-durable goods, thanks to the relaxation of the containment measures after a slower spread of the pandemic. Besides, the government's stimulus measures also helped support recovery of household consumption and the overall economic activities.

Growth rate of private consumption index



Private consumption indicators

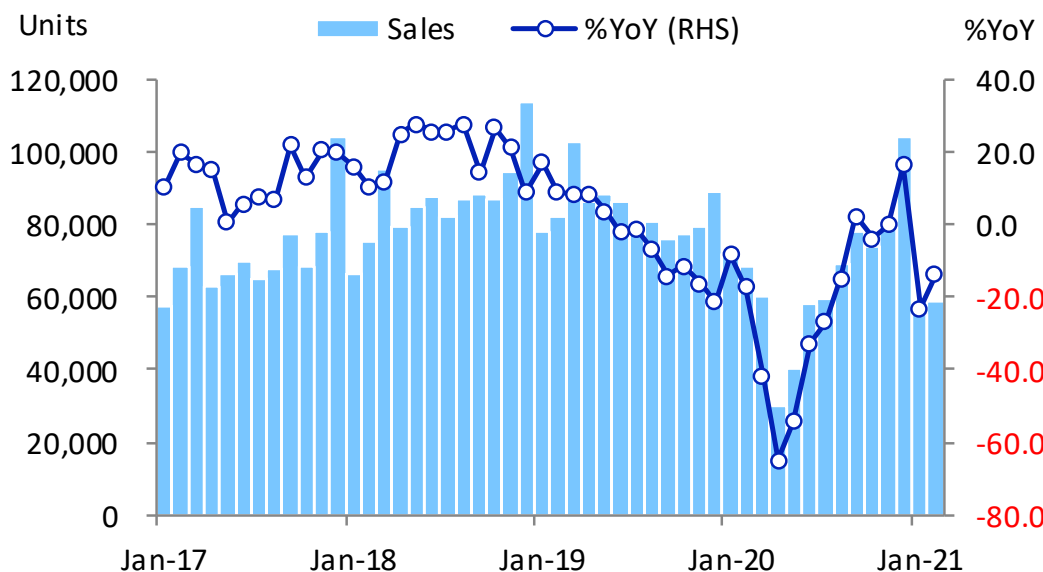
%YoY	2020	2020			2021	
		H1	H2	Q4	Jan	Feb
Non-durable index	-1.7	-2.6	-0.8	-1.9	-8.4	-3.4
Semi-durable index	-3.5	-3.6	-3.3	-2.5	-2.7	3.3
Durable index	-12.3	-20.6	-4.3	1.1	-12.3	-7.7
Services index	-21.3	-18.9	-23.6	-23.4	-29.1	-18.3
(Less) Net tourism spending	-76.6	-59.6	-91.5	-91.2	-93.6	-91.6
Private consumption index	-1.9	-4.6	0.9	1.8	-4.5	-2.1

Source : BOT

Domestic vehicle sales

- Domestic vehicle sales dropped for a second straight month in February as potential buyers were worried over the new wave of the pandemic. Consequently, the domestic vehicle sales in the first two months of 2021 tumbled 18.4% to 114,168 units.
- Regarding sales by brand in February 2021, Isuzu reported a 13.8% rise in sales to 16,477 units, helped by strong demand for commercial vehicles. Toyota came second after its sales fell by 14.6% to 15,860 units, while Honda's sales went down by 7.7% to 9,007 units.

Domestic new vehicle sales



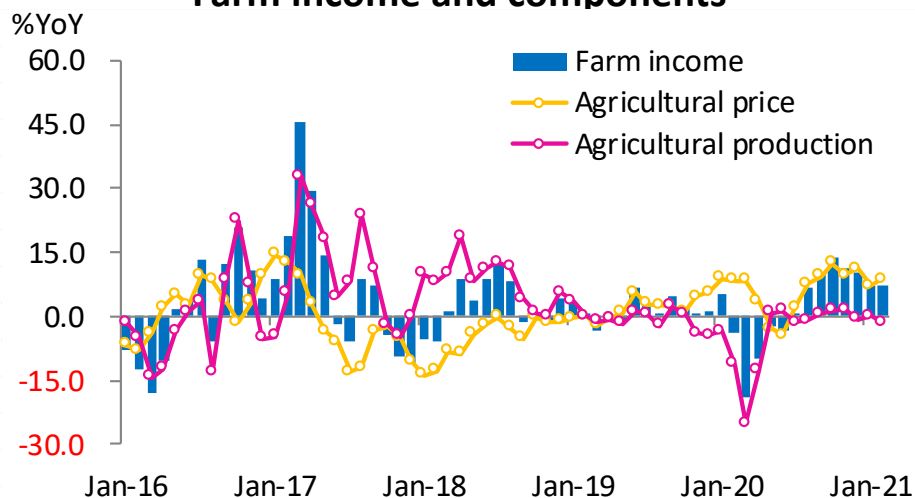
Top 10 new vehicle sales by brand in 2021

Brand	Share (%) Jan-Feb	Sales (units)		Change (%YoY)	
		Jan-Feb	Feb	Jan-Feb	Feb
Toyota	26.9	33,539	15,860	-13.5	-14.6
Isuzu	27.9	31,725	16,477	10.3	13.8
Honda	15.3	14,664	9,007	-30.7	-7.7
Mitsubishi	6.2	6,962	3,642	-41.9	-39.0
Mazda	5.2	6,246	3,076	-11.3	2.5
Ford	4.4	4,908	2,601	-1.9	-9.2
Nissan	4.3	4,725	2,543	-54.0	-47.1
MG	4.1	4,552	2,405	15.5	18.9
Suzuki	2.5	3,186	1,484	-33.1	-30.0
Hino	1.8	2,032	1,056	48.8	48.9
Others	1.4	1,629	809	-76.4	-79.5
Total	100.0	114,168	58,960	-18.4	-13.6

Farm income

- Farm income really unchanged much from the earlier month's level. This was due to rising agricultural prices, especially in terms of sugarcane, cassava, and fruits. Meanwhile, the agricultural production dropped slightly caused by decreasing paddy and sugarcane production.

Farm income and components



%YoY	2020	2020			2021	
		H1	H2	Q4	Jan	Feb
Farm income	1.5	-6.4	8.6	11.6	7.2	7.1
Agricultural price	6.1	3.5	8.7	11.0	7.1	8.6
Agricultural production	-4.3	-9.6	-0.1	0.5	0.1	-1.4

Farm income and components in 2021

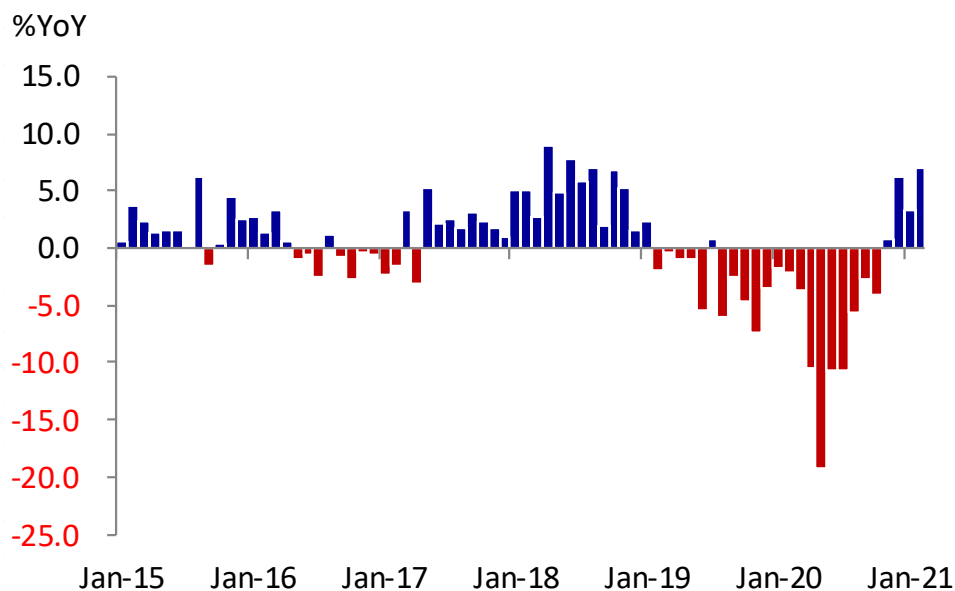
Item	Farm Income		Agricultural price		Agricultural production	
	Jan	Feb	Jan	Feb	Jan	Feb
Agriculture	7.2	7.1	7.1	8.6	0.1	-1.4
Paddy	5.2	-23.2	-4.6	-6.8	10.2	-17.6
Sugarcane	17.7	17.4	29.4	31.3	-9.0	-10.6
Cassava	10.3	10.8	4.3	8.1	5.8	2.5
Maize	58.7	19.5	4.3	9.2	52.1	9.4
Rubber, uss3	37.5	36.3	36.4	35.0	0.8	1.0
Durian	447.8	396.0	41.3	26.4	287.6	292.4
Palm kernel (weight over 15 kg.)	2.5	19.8	2.3	28.5	0.2	-6.8
Coconut	-9.7	-25.1	6.6	-6.4	-15.2	-20.0
Swine (weight over 100 kg.)	9.2	9.2	9.1	8.8	0.1	0.4
Fowl	-10.9	-10.0	-11.1	-10.9	0.2	0.9
Egg, chicken	1.3	-0.0	0.7	-0.6	0.6	0.6
Shrimp, Vannamei	-17.3	-14.9	-3.8	-2.6	-14.0	-12.7

Source : OAE

Private investment

- Private investment indicators expanded 7.0%YoY in February, higher from 3.4% in the previous month. Higher private investment was supported by a rapid growth in the machinery and equipment category as imports of capital goods accelerated. The improvement was in line with business sentiment and the recovery path of exports excluding oil, gold, and weapons.
- However, investment in construction contracted at a higher rate based on a dip in permitted construction areas and construction material sales, reflecting subdued activities in the construction sector.

Growth rate of private investment index



Private investment indicators

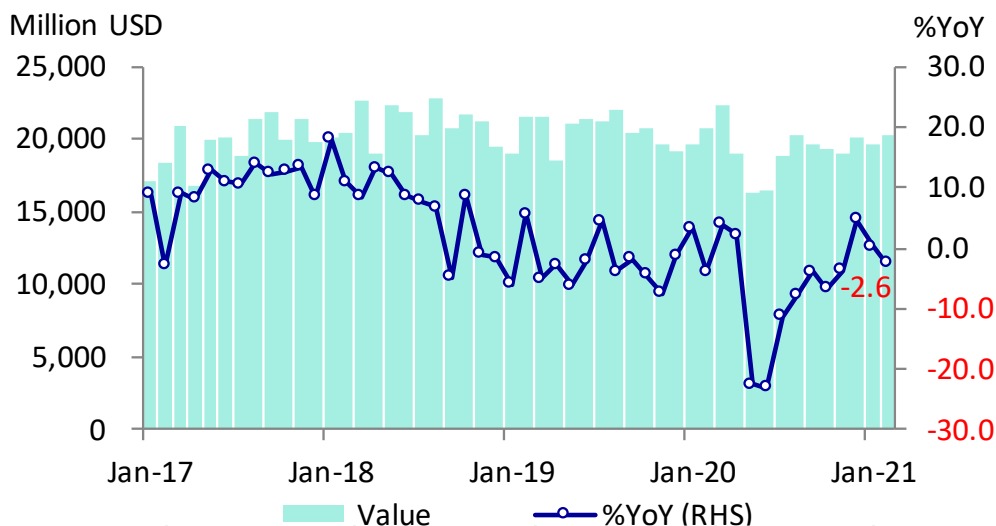
%YoY	2020	2020			2021	
		H1	H2	Q4	Jan	Feb
Permitted construction area	-2.7	-1.3	-4.2	-0.7	-10.0	-8.4
Construction material sales index	-3.5	-2.1	-4.9	-5.9	3.8	-1.6
Real imports of capital goods	-11.4	-14.1	-8.8	-3.8	1.6	31.4
Real domestic machinery sales	-4.8	-10.2	0.7	7.3	9.3	5.5
Number of newly registered motor vehicles for investment	-10.9	-17.8	-2.6	5.8	-4.0	-5.2
Private investment index	-5.2	-8.0	-2.5	0.9	3.4	7.0

Source : BOT

Export of goods

- The country's exports recorded a contraction of 2.6%YoY to 20,219 million USD in February 2021, due to the high base effect in the same period last year. However, excluding oil-related products, gold, and weapons, the value of exports grew by 2.9%YoY on the back of rising exports of some categories including agriculture and food, WFH products and household appliances, as well as Covid-19 protection products.

Export value and growth



Export value to key markets in 2021

Market	Share Jan-Feb (%)	Jan-Feb		Feb	
		Million USD	%YoY	Million USD	%YoY
Total	100.0	39,926	-1.2	20,219	-2.6
ASEAN	24.0	9,589	-8.3	4,724	-11.8
U.S.A.	14.9	5,943	16.1	3,064	19.7
China	12.3	4,906	12.8	2,592	15.7
Japan	10.5	4,174	7.0	2,043	6.5
EU	9.8	3,921	-3.5	1,990	-0.1
Australia	4.5	1,799	23.2	910	17.2
Middle East	3.5	1,390	-3.5	699	-14.7
Hong Kong	3.8	1,527	-13.7	693	-36.7
India	3.1	1,222	-1.1	684	8.9
South Korea	2.0	808	8.8	420	10.9
Commodity price & Exchange rate	Jan-Feb		Feb		
	Price	%YoY	Price	%YoY	
Dubai oil price (USD/bbl)	57.3	-3.2	60.4	10.8	
Gold price (USD/troy oz)	1,837.6	16.4	1,808.2	19.6	
Exchange rate (THB/USD)	30.0	-2.9	30.0	-4.3	
NEER index	123.3	-0.7	123.5	0.4	

Source : MOC, BOT, World Bank

Export of goods

Major product	Share Jan-Feb (%)	Jan-Feb		Feb	
		Million USD	%YoY	Million USD	%YoY
Total exports	100.0	39,926	-1.2	20,219	-2.6
Agriculture	9.2	3,664	13.8	1,879	18.1
- Rice	1.3	522	-10.7	259	-4.9
- Rubber	2.1	854	12.0	459	22.9
- Tapioca	1.7	685	48.3	373	46.6
- Fruits	1.2	485	94.5	232	116.6
- Fishery	0.5	207	-14.3	105	-14.1
Agro-industrial	6.9	2,774	-4.0	1,424	-4.8
- Prepared or preserved seafood	1.4	547	-2.5	268	-9.6
- Cane sugar and molasses	0.6	238	-41.8	139	-36.0
- Wheat products and other food	0.9	367	5.3	189	10.2
- Beverages	0.8	305	-3.7	148	-9.4
Manufacturing	80.6	32,170	-1.7	16,241	-4.0
- Automotive	16.0	6,404	6.8	3,099	-3.5
- Electronics	15.6	6,231	12.2	3,072	11.4
- Electrical appliances	11.1	4,444	11.3	2,265	12.3
- Precious stones and jewelry	2.6	1,034	-72.4	524	-73.9
- Unwrought gold	0.5	216	-91.7	99	-93.0
- Rubber products	6.1	2,429	23.4	1,287	24.8
- Petro-chemical products	3.8	1,529	20.7	836	39.2
- Chemicals	3.2	1,291	11.5	665	14.9
- Machinery & equipment	3.1	1,239	4.5	669	14.6
- Apparels & textile	2.5	980	-13.4	502	-12.5
- Metal & steel	2.4	940	8.6	466	7.6
Mining & Fuel	3.3	1,318	-16.2	676	-9.7

Product	Feb	
	Million USD	%YoY
Automotive	3,099	-3.5
- Passenger car	867	-1.0
- Pick up and trucks	567	-4.3
- Motorcycle	331	11.6
- Spark-ignition reciprocating internal combustion	346	-40.8
- Parts & accessories	890	14.8

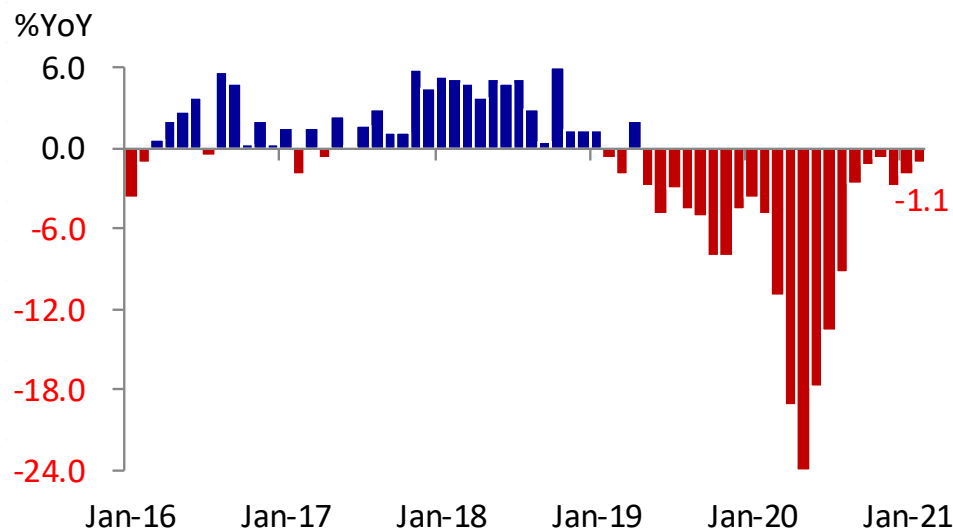
Product	Feb	
	Million USD	%YoY
Electronics	3,072	11.4
- Computer parts	1,601	12.7
- HDD	825	-7.2
- Printed circuits	598	9.5
- Telecommunication	175	4.9
- Semi-conductor devices, transistors, diodes	189	-6.6

Source : MOC

Manufacturing Production

- Manufacturing production index moved down at a slower pace from the improvement in the production of some sectors like basic metal, IC and semiconductors.
- Meanwhile, garment production fell largely as overseas buyers delayed their orders, while petroleum production was adversely affected by oil refinery shutdown for maintenance and slowdown in the aviation industry.

Growth rate of manufacturing production index



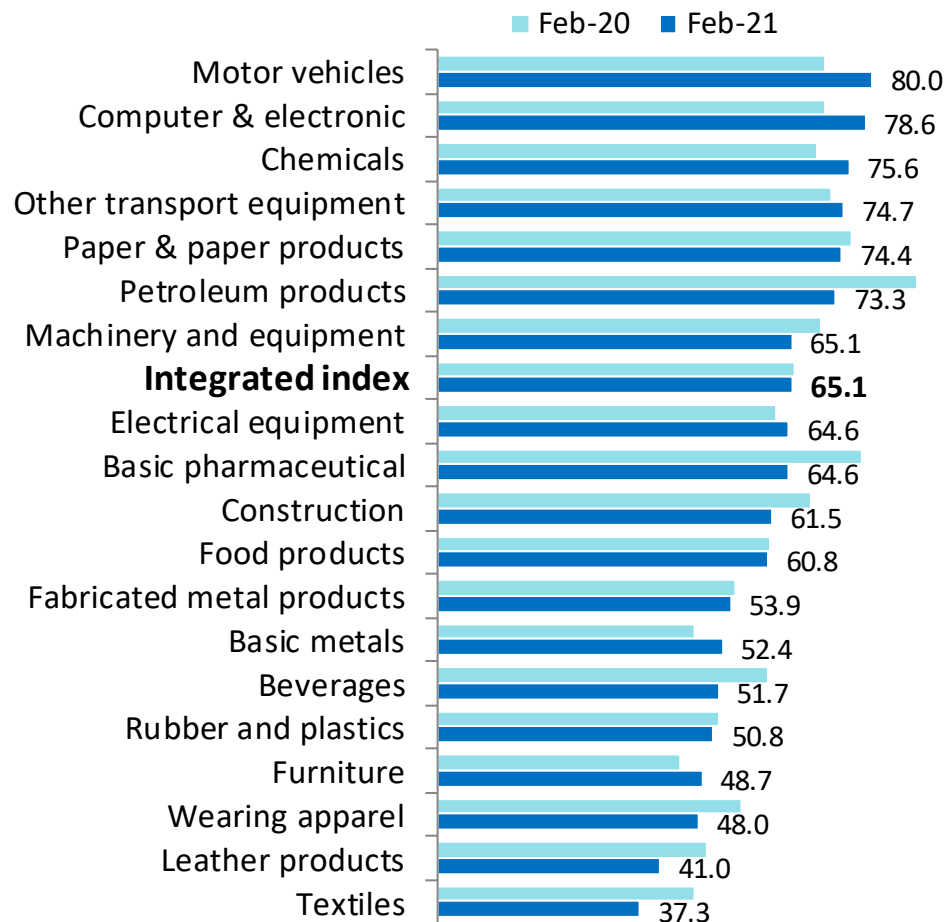
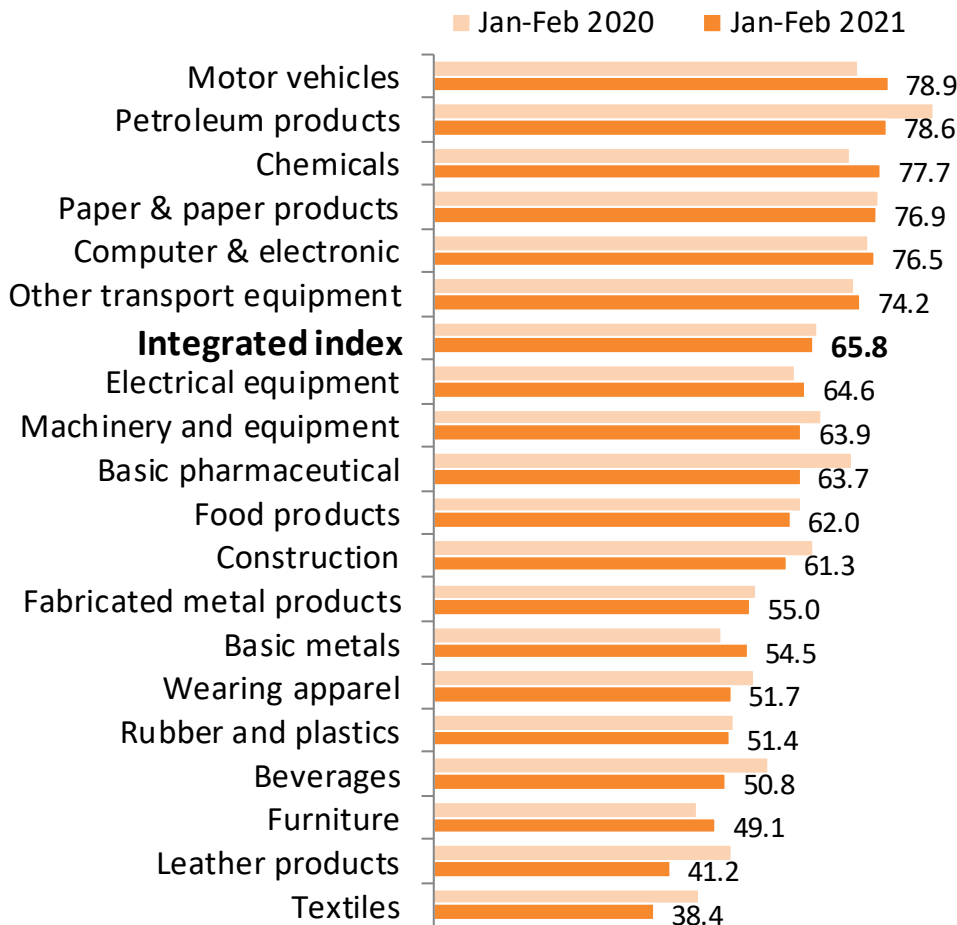
Manufacturing Production Index (MPI)

%YoY	2020	2020			2021	
		1H	2H	Q4	Jan	Feb
Overall MPI	-9.3	-13.2	-5.1	-1.6	-2.0	-1.1
Basic metal	-7.1	-12.9	-0.8	5.2	9.4	16.0
IC and semiconductors	1.9	-0.4	4.1	6.4	11.8	8.2
Chemicals	-3.2	-3.2	-3.3	-6.1	6.7	7.3
Automotive	-28.9	-42.5	-13.8	4.4	-3.1	5.2
Electrical appliances	5.5	-5.2	16.8	16.4	7.7	4.6
Hard disk drive	-2.8	3.1	-7.6	-5.0	4.5	4.4
Food	-6.1	-8.0	-3.8	-4.4	-2.9	3.7
Fabricated metal products	-3.3	-10.4	4.0	7.1	0.8	-0.4
Papers	-0.1	-0.6	0.5	3.7	0.6	-3.1
Rubbers and plastics	-7.8	-11.4	-4.1	-1.3	-2.7	-3.6
Cements and construction	-5.0	-3.7	-6.3	-6.0	-1.6	-8.0
Beverage	-6.2	-11.3	-1.1	-6.7	-9.7	-13.9
Basic pharmaceutical	1.3	5.6	-2.8	-1.0	1.9	-16.9
Petroleum	-7.0	-9.9	-3.8	0.2	-11.3	-18.5
Textiles	-22.5	-24.7	-20.0	-10.8	-10.4	-20.9
Wearing apparels	-20.7	-9.0	-32.7	-33.9	-14.8	-34.2

Source : OIE

Capacity utilization rate of major industries

- In February 2021, the capacity utilization rate was at 65.1%, slightly decreased from 65.6% in the same period last year. Garment-related products, leather products, and furniture were among the industries that weighed down the capacity utilization rate during the month.

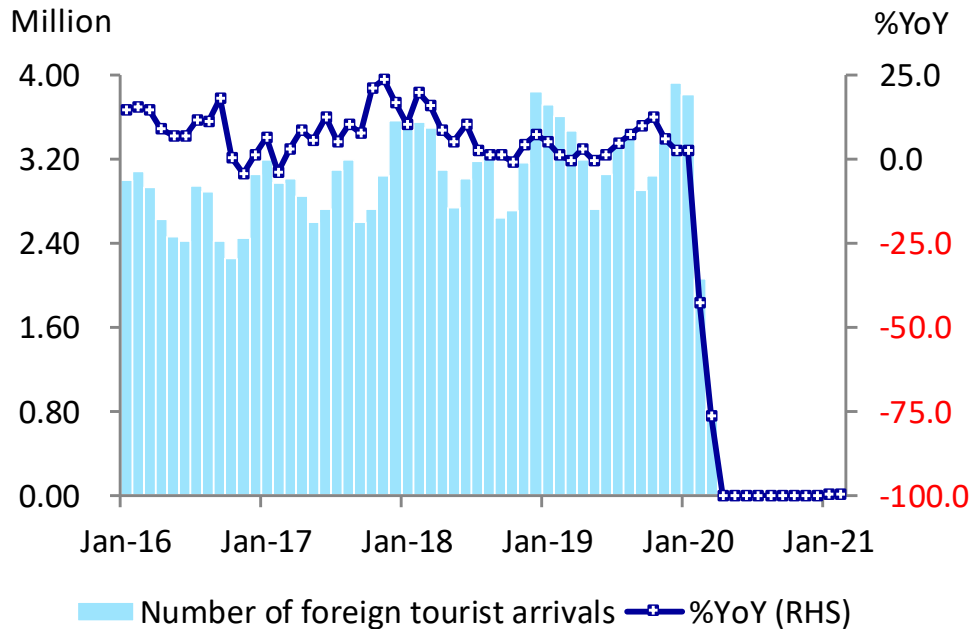


Source : OIE

Tourism sector

- The number of foreign tourist arrivals was still at a low level due to the ongoing international travel restrictions. The country recorded 5,741 international tourists or a 99.7%YoY slump in February. On the domestic front, there was 8.9 million domestic trips, representing a 37.4%YoY drop in the same period, due to the government's measures to contain the new wave of the outbreak, resulting in low occupancy rate.

International tourist arrivals



Occupancy rate

%	2020	2020			2021	
		H1	H2	Q4	Jan	Feb
West	39.6	30.0	49.2	49.7	13.4	30.6
Northeast	34.4	26.0	42.8	46.3	23.3	30.3
North	38.7	29.9	47.4	51.9	19.9	25.0
Central exc. Bangkok	27.3	23.8	30.8	33.3	11.6	18.9
East	29.9	28.6	31.2	32.7	4.5	10.1
Bangkok	28.2	34.8	21.6	22.9	7.5	10.0
South	21.7	27.7	15.7	17.1	6.7	9.5
Overall	29.5	29.4	29.6	31.6	10.9	16.0

Source : BOT, MOTS

End of Presentation

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