

Construction



Agenda

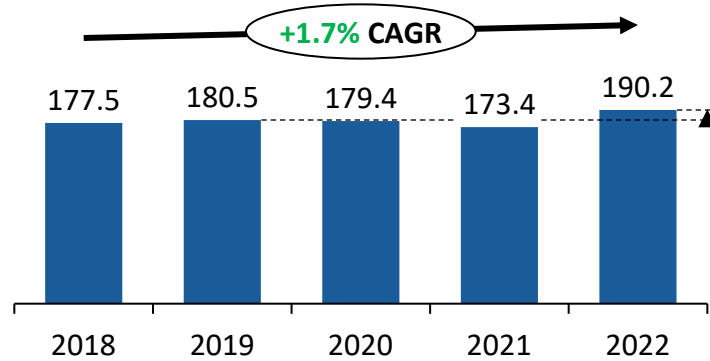
- Thai Construction Business : Key indicators
- Thai Construction Business : SMEs Business Opportunities

**Business Research
February 2024**

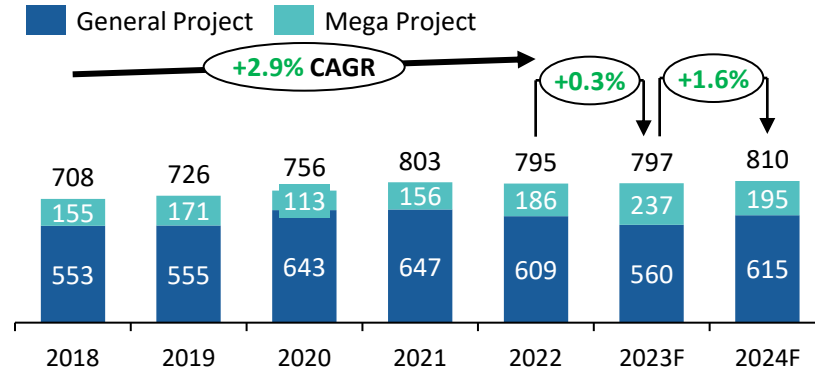
Construction Business : Construction of streets, roads, bridges or tunnels (TSIC 42101)

The business has a market value of around THB 190 bn, which was not significantly affected by the COVID-19 crisis. This is reflected in the market value in 2022, which has recovered to a higher level than before the outbreak, and profits will continue to increase (2020-2022 %CAGR = 8.2). **As for the outlook, business is expected to expand further following the recovery in public construction investment, which has been boosted by the new government's policy of accelerating investment to stimulate the economy.** In addition, the price of construction materials, although still high, has become less volatile, which has had a positive impact on the company's cost management. However, bidding for new megaprojects may be postponed as the government's 2024 spending budget won't be finalized until Q2 2024, resulting in an acceleration of various construction investments in H2.

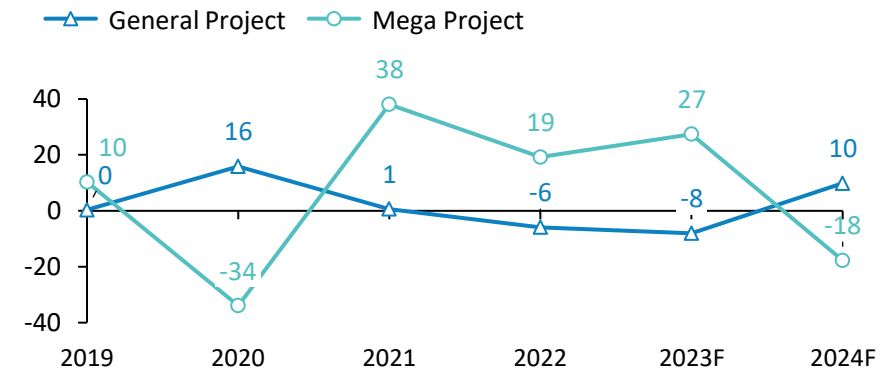
Market Size (Billion Baht)



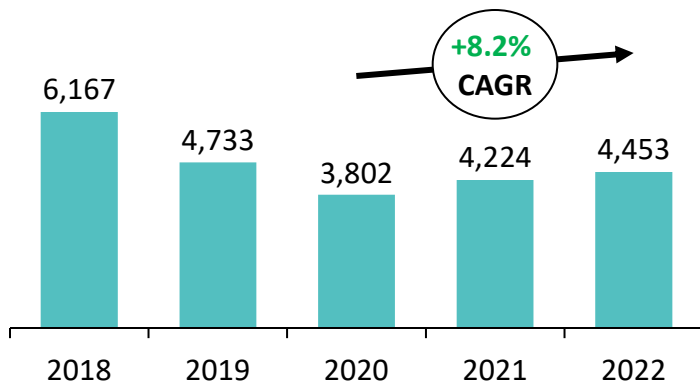
Public Construction (Billion Baht)



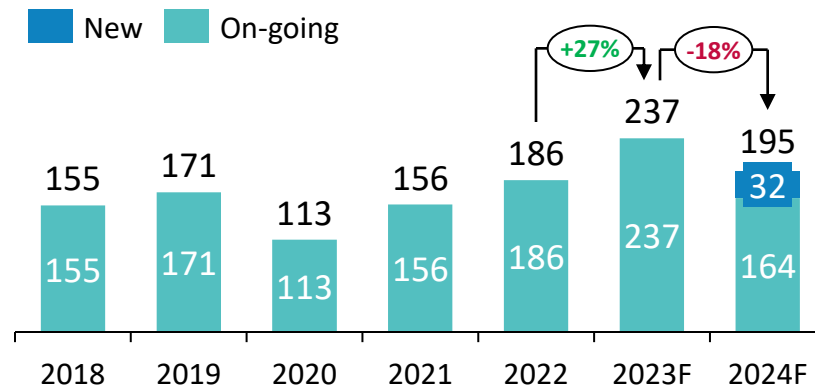
Growth by Project Type (%YoY)



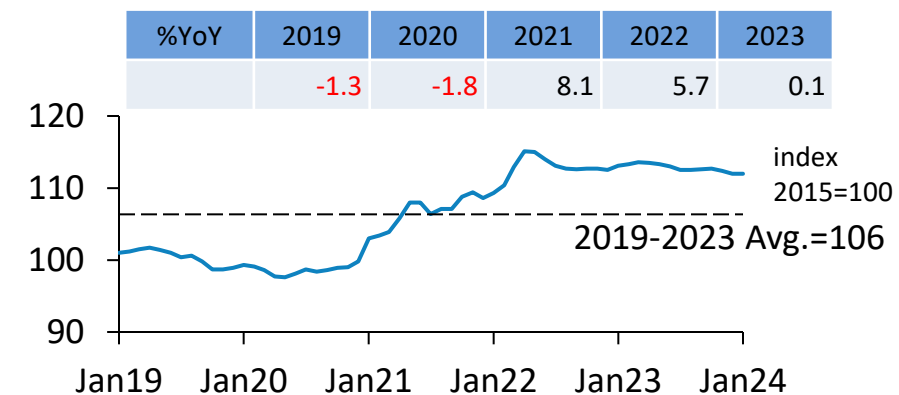
Business Profit (Million Baht)



New Mega Project in 2024 (Billion Baht)



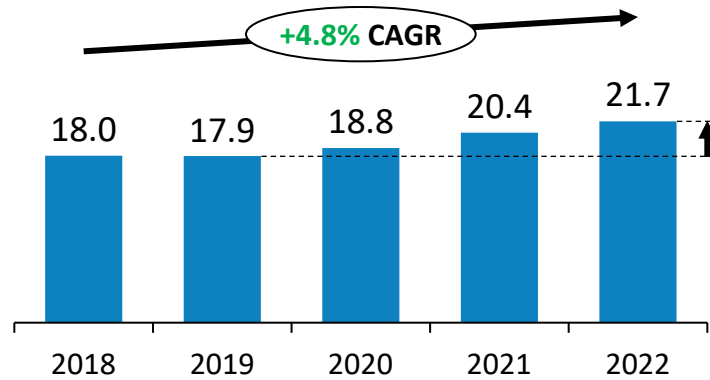
Construction Material Price Index (MPI)



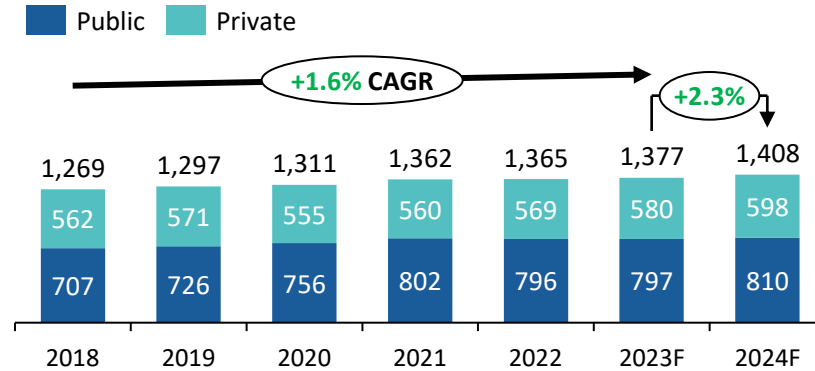
Construction Business : Quarrying of building stone (TSIC 08101)

The quarrying business has a market value of around THB 20 billion. The business is still growing well during the COVID-19 virus outbreak, with an average growth rate of 4.8% (2018-2022), while profits are growing well despite some volatility. Looking ahead, the business is expected to expand more in line with growth in the construction sector in both the public and private sectors, resulting in increased demand for building stone. Public construction is growing in line with the government's accelerated spending of investment budgets to stimulate the economy. Private construction grew in line with the expansion of all property types, especially housing, which is expected to accelerate as condominiums recover from a slowdown in the past 1-2 years. In addition, the business is benefiting from the price of construction stone, which has risen and is expected to remain at a high level.

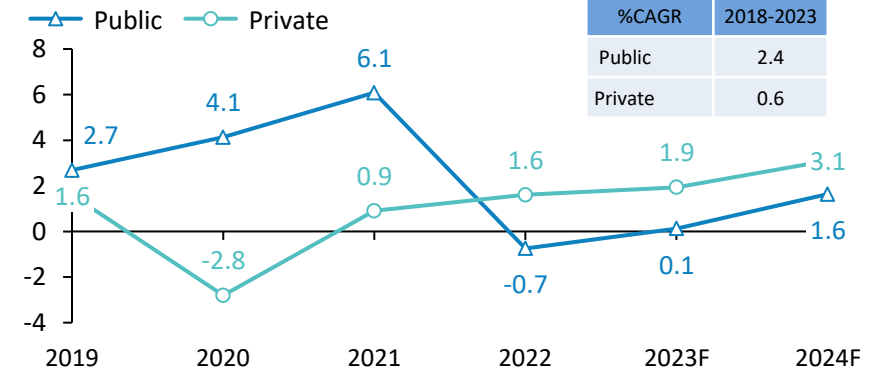
Market Size (Billion Baht)



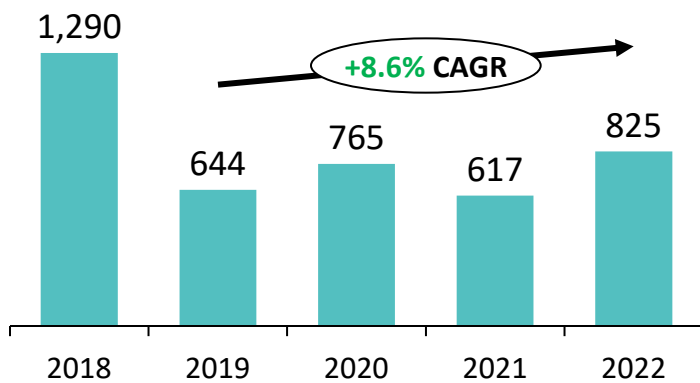
Construction Investment (Billion Baht)



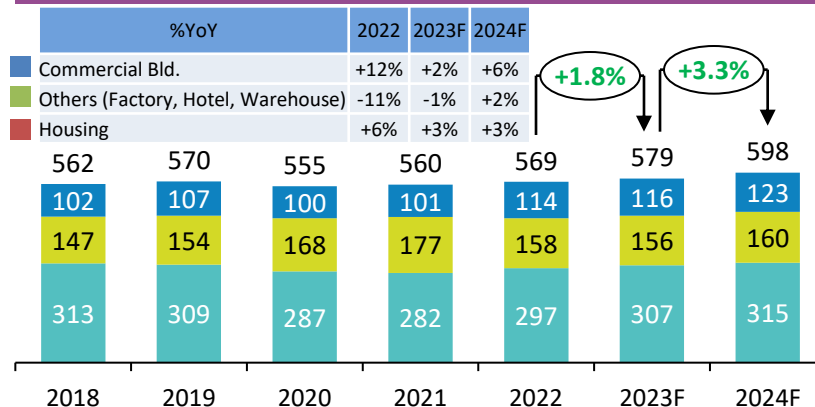
Growth by Investment Type (%YoY)



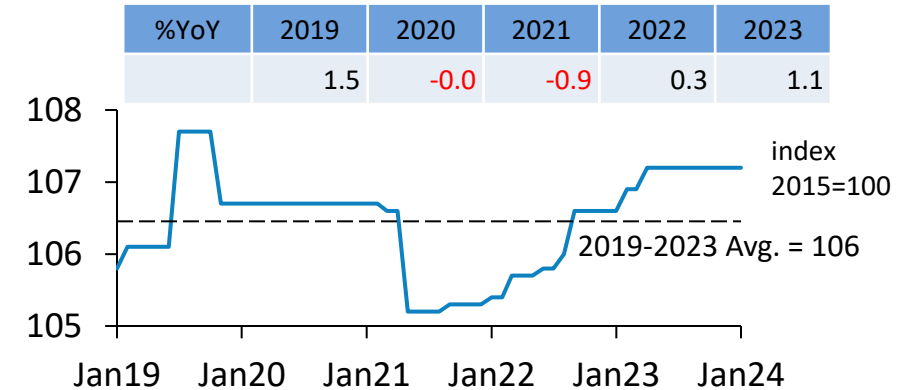
Business Profit (Million Baht)



Private Construction (Billion Baht)



Sand and Stone Price Index (PPI)



Construction Business : Market Overview

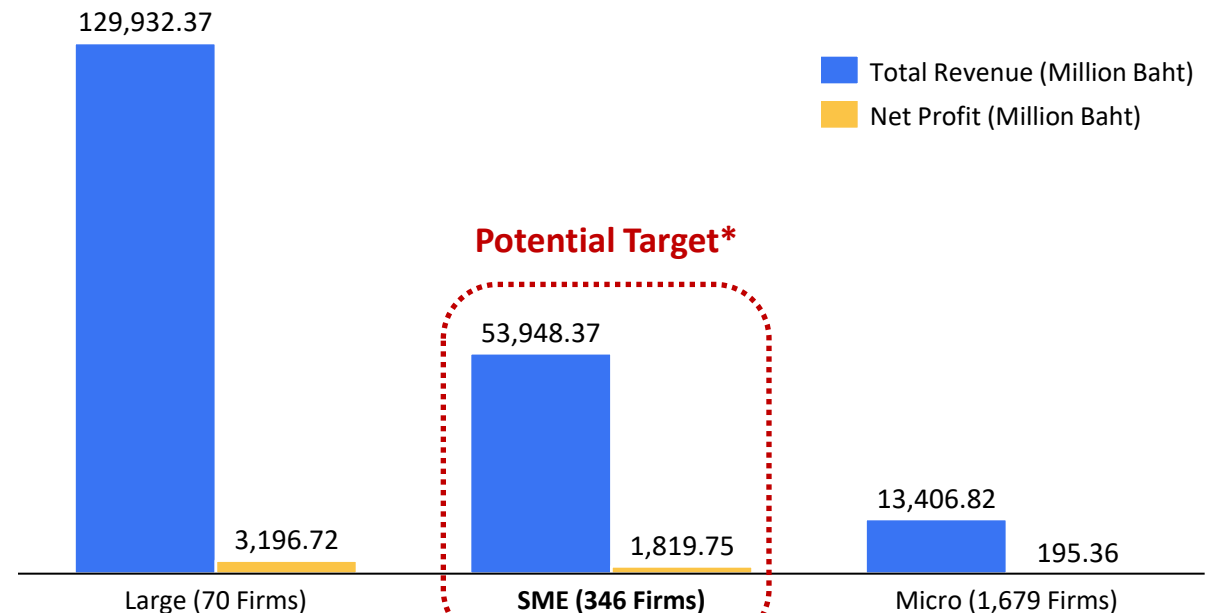
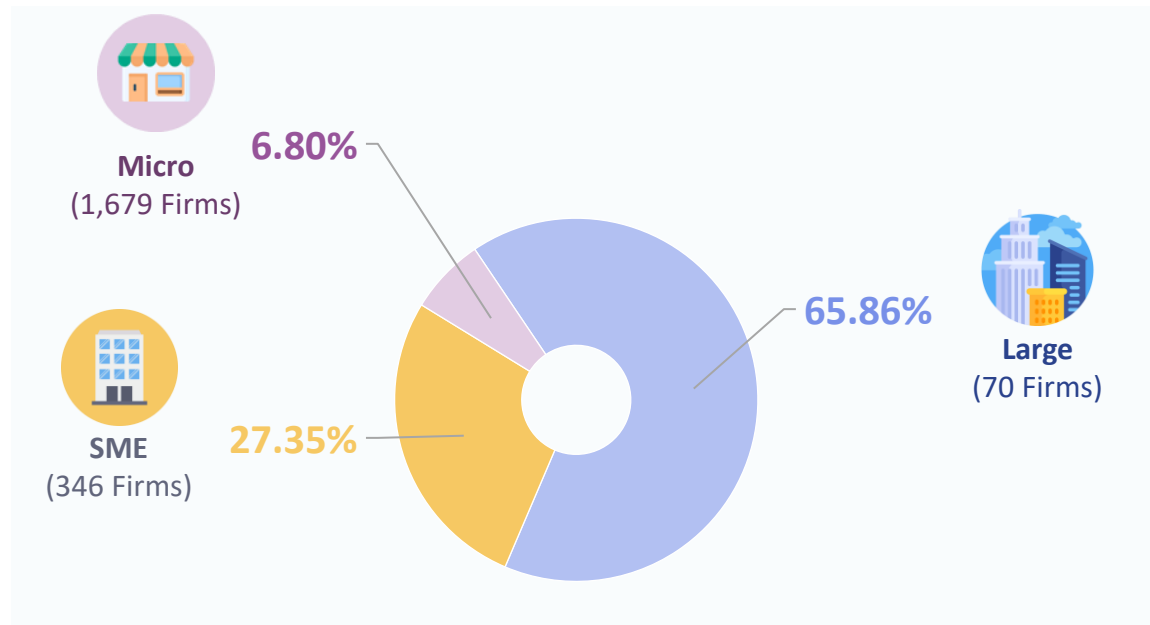
Based on selected TSIC groups (in 2022), Thailand's Construction Business was valued at 197,287.56 million baht, with large enterprises accounting for 65.86% of the market share. This is followed by SME with 27.35% and micro with 6.80%.

Share of Construction Business Value by firm size

(42101, 08101)

Market Value (L, SME, Micro) = 197,287.56 Mn THB

Total Firms = 3,436 Firms



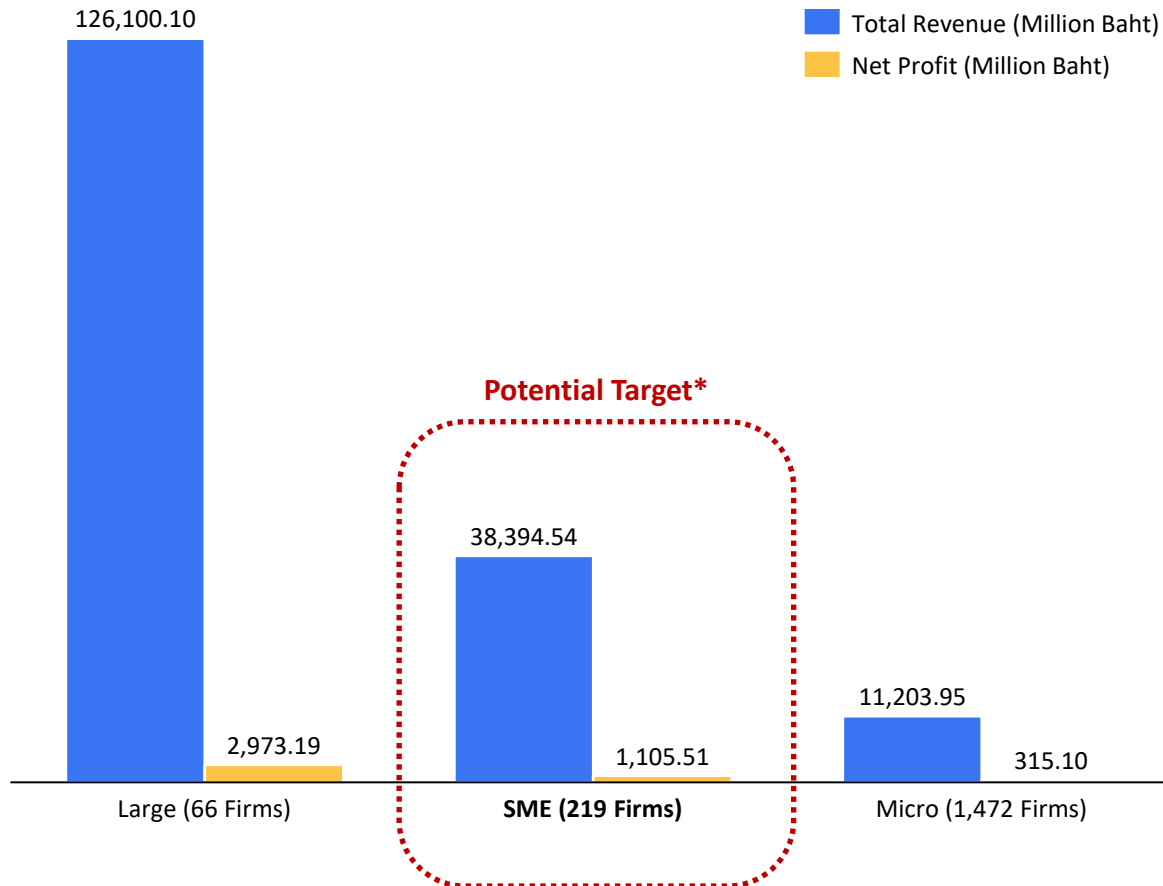
SME with revenue of 50-500 MN THB

Note : No. Firm (L, SME, Micro) = 2,095 Firms No. Firm (Not Specify) = 1,341 Firms No. Total Firm = 3,436 Firms

Construction Business : Market Overview

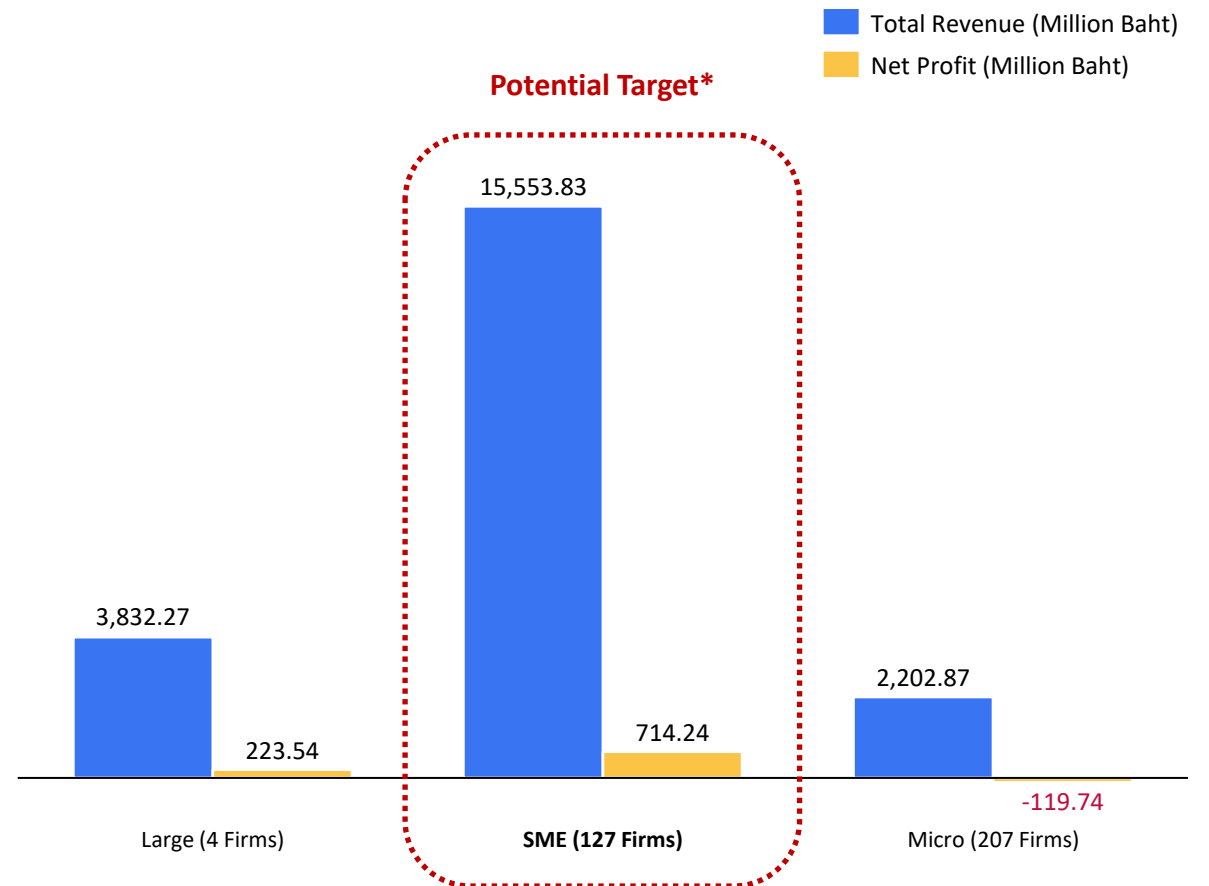
42101 : Construction of streets, roads, bridges or tunnels

Market Value = 175,698.59 Mn THB
Total Players = 2,982 Firms



08101 : Quarrying of building stone

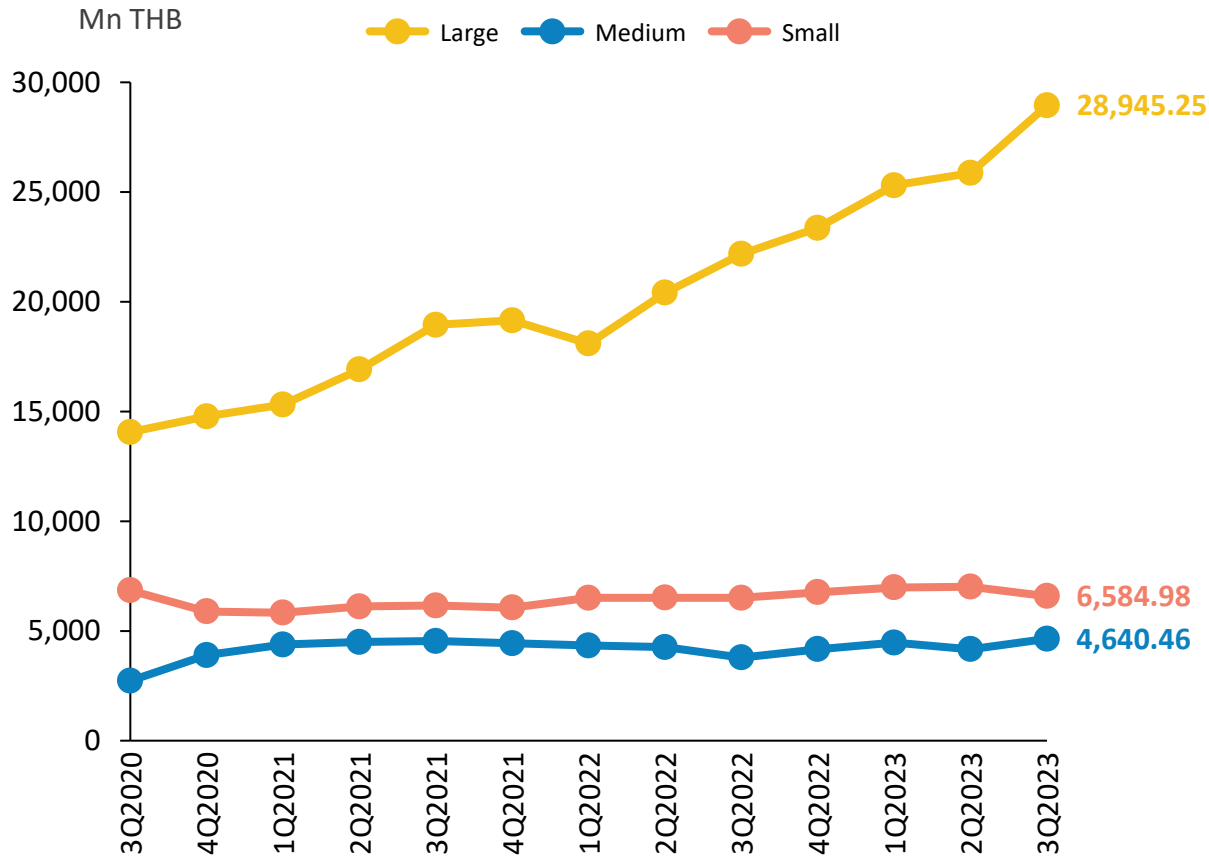
Market Value = 21,588.97 Mn THB
Total Players = 454 Firms



Construction Business : Loan Outstanding

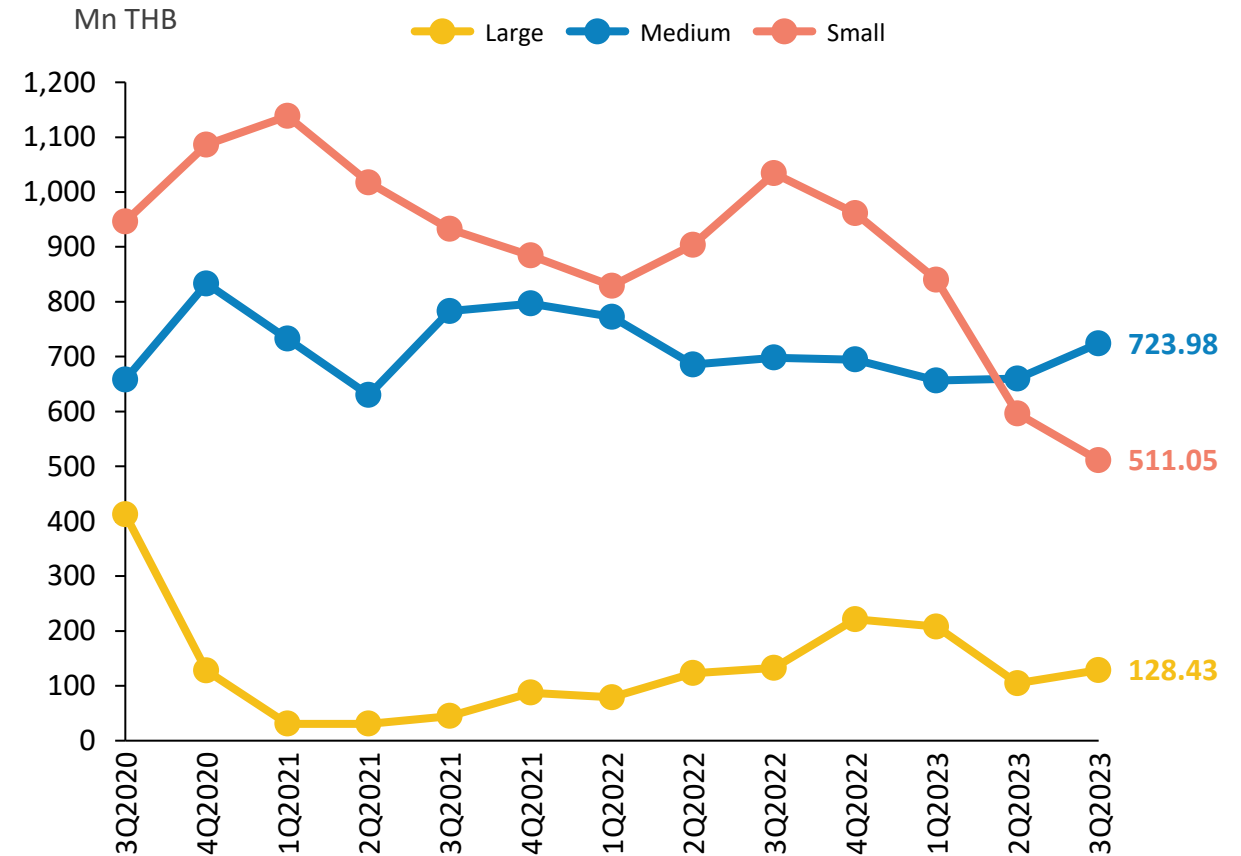
42101 : Construction of streets, roads, bridges or tunnels

Loan Size* = 40,170.70 Mn THB



08101 : Quarrying of building stone

Loan Size* = 1,363.46 Mn THB



* Data as of 3Q2023

End of Presentation

Disclaimer

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

LH BANK BUSINESS RESEARCH



Thanapol Srithanpong, Ph.D.
Head of Business Research



Nantapong Pantaweesak
Senior Industrial Specialist



Cheawchan Srichaiya
Senior Industrial Specialist



Watcharapan Niyom
Senior Industrial Specialist



Sri-Ampai Ingkhakitti
Senior Industrial Specialist



Taratnon Sritongterm
Senior Economist



Wilanda Disorntetiawat
Senior Economist



Nawatch Hansuvech
Senior Thematic Specialist

LH Bank Business Research

ACTIVE

INCLUSIVE

DECISIVE



Scan Here

For More Articles

<https://www.lhbank.co.th/economic-analysis/>