

Economic Update For February 2023



Highlight:

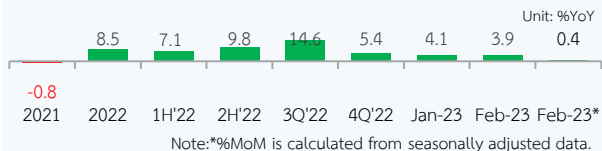
The Thai economy continued to improve in February 2023 compared to the previous month. The value of exports, excluding gold, increased in line with the improvement in indicators of manufacturing production and private investment. Private consumption indicators continued to rise, especially in the durable goods category, in line with car sales. The services sector improved in line with the number of foreign tourists, following an increase in Chinese tourists after the Chinese government allowed tour groups to come to Thailand. Meanwhile, government spending increased, driven by both central government and state enterprises investing.

Business Research

5 April 2023

Private Consumption

Private consumption indicators after seasonal adjustment increased from the previous month in almost categories. Due to increased sales of passenger cars and the number of motorcycle registrations. As for the semi-durable goods category, it was mainly driven by imports and sales of apparel.



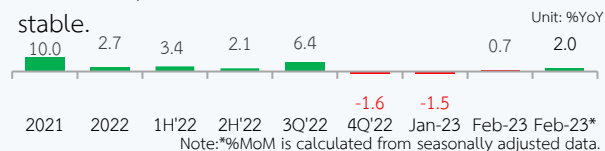
Farm Income

February farm income kept rising by 13.3%YoY due to an increase in both prices and production. On the price side, it benefited from the price of durian. While production of sugarcane, rice and palm oil increased.

| Item (%YoY) | Farm Income | | Agricultural Price | | Agricultural Production | |
|--------------------|-------------|-------------|--------------------|------------|-------------------------|------------|
| | Jan-23 | Feb-23 | Jan-23 | Feb-23 | Jan-23 | Feb-23 |
| Agriculture | 4.2 | 13.3 | 1.5 | 4.2 | 2.7 | 8.8 |
| Paddy | -4.5 | 94.3 | 20.5 | 19.4 | -20.8 | 62.6 |
| Cassava | 16.1 | 12.2 | 17.6 | 25.2 | -1.3 | -10.4 |
| Sugarcane | 8.6 | 28.3 | 3.6 | 7.1 | 4.9 | 19.8 |
| Durian | 30.9 | 358.0 | 51.5 | 51.5 | -13.6 | 202.3 |
| Palm kernel | -25.7 | -17.8 | -57.6 | -43.6 | 75.4 | 45.7 |

Private Investment

Private investment indicators after seasonal adjustment increased from the previous month. In particular, imports of capital goods such as computers, electric motors, etc. were in line with the improvement in manufacturing production. Meanwhile, investment in construction remained stable.

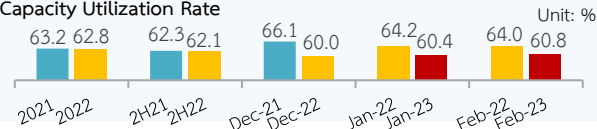


MPI and Capacity Utilization (Cap-U)

February MPI increased from previous month. In line with the recovery of domestic economic activities and the increased demand from China's opening-up, the main products that increased in production were chemicals, petroleum, HDD and sugar, etc.

| | MPI (%YoY) | 2022 | 4Q'22 | Jan-23 | Feb-23 | %MoM |
|--------------------|------------|-------------|-------------|-------------|------------|------|
| Overall MPI | 0.4 | -6.0 | -4.8 | -2.7 | 1.5 | |
| Automotive | 11.5 | 8.5 | 6.5 | 5.3 | -1.2 | |
| Petroleum | 8.7 | -8.7 | 9.0 | 7.3 | 1.7 | |
| Food | 2.1 | 0.0 | 0.8 | 2.8 | 0.7 | |

Capacity Utilization Rate



Exports

- In February 2023, exports contracted for the fifth consecutive month, falling by 4.7%YoY to US 22,376 mn, following contraction in almost all major markets except the Middle East, in line with the global economic slowdown that led to a decline in external demand.
- However, there are some groups of exports that are showing signs of recovery, such as fruit products, chilled and frozen chicken and sugar.

| Market | Share (%) | Jan-Feb 2023 | | Feb-23 | |
|--------------|---------------|---------------|-------------|---------------|-------------|
| | | Jan-Feb 23 | USD Mn | %YoY | USD Mn |
| Total | 100.00 | 42,626 | -4.6 | 22,376 | -4.7 |
| ASEAN | 24.8 | 10,560 | -4.7 | 5,516 | -5.8 |
| U.S.A. | 16.3 | 6,929 | -7.2 | 3,525 | -9.5 |
| China | 10.9 | 4,645 | -9.6 | 2,457 | -7.9 |
| EU | 10.0 | 4,248 | 1.1 | 2,182 | -0.5 |
| Japan | 9.3 | 3,959 | -5.9 | 2,043 | -2.5 |
| Middle East | 4.1 | 1,741 | 17.9 | 928 | 19.4 |

| Commodity Price & Exchange Rate | Jan-Feb 2023 | | Feb-23 | |
|---------------------------------|--------------|-------|---------|-------|
| | Price | %YoY | Price | %YoY |
| Dubai oil price (USD/bbl) | 80.6 | -11.1 | 81.2 | -12.8 |
| Gold price (USD/troy oz) | 1,876.1 | 2.2 | 1,854.5 | -0.1 |
| Exchange rate (THB/USD) | 33.6 | 2.0 | 34.0 | 4.1 |
| NEER index | 120.9 | 3.7 | 119.9 | 2.0 |

Domestic vehicle sales

February vehicle sales recorded at 71,551 units, down 3.9%YoY and 9.1%MoM, partly due to the high base of last year, together with some consumers postponing purchases to await new model launches at the Motor Show. By brands, Toyota continues to be the most popular brand in the market with a market share of 36.0%, followed by Isuzu with 21.9% and Honda with 11.5%

Domestic vehicle sales, Jan-Feb 2023

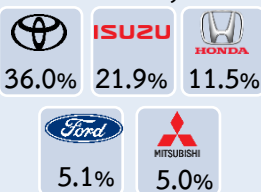
Total Vehicle Sales



137,130 Units

-4.7%YoY

Market Share By Brand



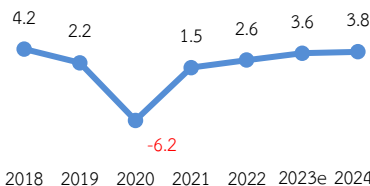
By Model

- 1 Isuzu D-Max 28.8%
- 2 Toyota Hilux 22.5%
- 3 Toyota Yaris 9.7%
- 4 Honda City 9.4%
- 5 Ford Ranger 6.8%

By body type, sales of passenger cars in February fell by 10.1%YoY to 24,867 units, and sales of commercial vehicles also fell by 10.0%YoY to 46,684 units. However, commercial vehicles still dominate the market due to the popularity of one-ton pick-ups, especially the Isuzu D-Max and Toyota Hilux models.

| Domestic Vehicle Sales by Body Type | Jan-Feb 2023 | | Feb-23 | |
|-------------------------------------|----------------|-------------|---------------|-------------|
| | Unit | %YoY | Unit | %YoY |
| Passenger car | 47,731 | 3.9 | 24,867 | -10.1 |
| Commercial car | 89,399 | -8.8 | 46,684 | -10.0 |
| Pick up 1 ton | 27,328 | -58.5 | 27,328 | -23.5 |
| SUV | 9,841 | -32.5 | 9,841 | 43.0 |
| Other | 52,233 | 198.7 | 9,518 | 2.4 |
| Overall | 137,130 | -4.7 | 71,551 | -3.9 |

Thai GDP Forecast by BOT (%YoY)

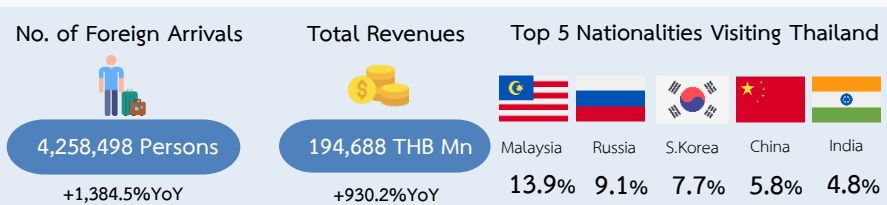


| %YoY | 2021 | 2022 | 2023e | 2024e |
|------------------------------|------|------|-------|-------|
| Private Consumption | 0.3 | 6.3 | 4.0 | 3.1 |
| Government Consumption | 3.2 | 0.0 | -2.2 | 1.1 |
| Private Investment | 3.3 | 5.1 | 2.1 | 4.8 |
| Public Investment | 3.8 | -4.9 | 3.7 | 7.8 |
| Value of Merchandise Exports | 18.8 | 5.5 | -0.7 | 4.3 |
| Headline Inflation (%) | 1.2 | 6.1 | 2.9 | 2.4 |

Tourism

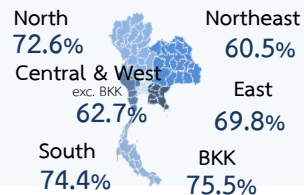
Tourism continued to recover in February 2023, accelerating steadily by 1,281.8%YoY to 2.11 million persons, driven by an increase in multinational tourists, especially Chinese tourists after the Chinese government allowed group tours to Thailand, and an increase in Indian tourists after the Indian government cancelled the RT-PCR test for those returning from Thailand.

International tourist arrivals, Jan-Feb 2023



The average hotel occupancy rate nationwide was 70.9% in the first two months of 2023, supported by the increase in both Thai and foreign tourists. The region with the highest occupancy rate in February was Bangkok, with an occupancy rate of 76.0%.

Occupancy rate, Jan-Feb 2023



Export of Goods

For Feb 2023

| Major products | Share Jan-Feb 2023 (%) | Jan-Feb 23 | | Feb-23 | |
|--|---------------------------|---------------|-------------|---------------|--------------|
| | | USD million | %YoY | USD million | %YoY |
| Total exports | 100.0 | 42,626 | -4.6 | 22,376 | -4.7 |
| Agriculture | 8.4 | 3,698 | -0.4 | 1,884 | 1.5 |
| - Rice | 1.5 | 754 | 35.5 | 341 | 7.7 |
| - Rubber | 1.4 | 628 | -35.8 | 318 | -34.0 |
| - Tapioca | 1.7 | 726 | -1.1 | 391 | 5.2 |
| - Fruits | 1.1 | 458 | 33.6 | 235 | 95.0 |
| - Fishery | 0.5 | 202 | -15.0 | 114 | -1.5 |
| Agro-industrial | 9.0 | 3,610 | 1.5 | 2,024 | 5.6 |
| - Prepared or preserved seafood | 1.3 | 545 | -7.1 | 288 | -9.1 |
| - Cane sugar and molasses | 1.9 | 688 | 12.0 | 436 | 21.7 |
| - Wheat products and other food preparations | 0.9 | 383 | -4.5 | 200 | -2.9 |
| - Beverages | 0.8 | 314 | -1.8 | 169 | 7.6 |
| Manufacturing | 78.8 | 33,675 | -5.8 | 17,621 | -6.2 |
| - Automotive | 14.8 | 6,253 | 6.6 | 3,305 | 6.7 |
| - Electronics | 14.6 | 6,374 | -3.9 | 3,265 | -4.7 |
| - Electrical appliances | 11.2 | 4,830 | -2.6 | 2,503 | -3.1 |
| - Precious stones and jewelry | 5.5 | 1,969 | -6.0 | 1,236 | -5.8 |
| - Unwrought gold | 0.8 | 340 | -63.0 | 181 | -75.3 |
| - Rubber products | 5.1 | 2,171 | -5.9 | 1,135 | -3.6 |
| - Petro-chemical products | 3.2 | 1,392 | -29.6 | 719 | -29.2 |
| - Chemicals | 3.0 | 1,299 | -18.7 | 661 | -19.7 |
| - Machinery & equipment | 3.2 | 1,373 | -1.5 | 727 | -1.0 |
| - Apparels & Textile | 2.2 | 958 | -15.6 | 494 | -16.8 |
| - Metal & steel | 2.2 | 1,022 | -9.6 | 502 | -12.9 |
| Mining & Fuel | 3.8 | 1,643 | -2.6 | 847 | -10.0 |

| Products | Feb-23 | |
|--|--------------|------------|
| | USD million | %YoY |
| Automotive | 3,305 | 6.7 |
| - Passenger car | 1,028 | 24.2 |
| - Pick up and trucks | 551 | -5.2 |
| - Motorcycle | 370 | 15.7 |
| - Spark-ignition reciprocating internal combustion | 436 | 22.2 |
| - Parts & accessories | 801 | -9.8 |

| Products | Feb-23 | |
|---|--------------|-------------|
| | USD million | %YoY |
| Electronics | 3,265 | -4.7 |
| - Computer parts | 1,241 | -22.9 |
| - HDD | 516 | -45.1 |
| - Electronic integrated circuits | 753 | 4.1 |
| - Telecommunication | 394 | 1.4 |
| - Semi-conductor devices, transistors, diodes | 350 | 60.5 |

Source: MOC

End of Presentation

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