

# Economic Update For June 2022



Business Research

3 August 2022

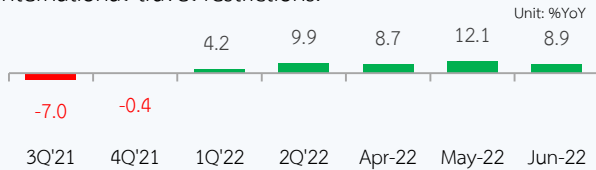
# Economic Update

## For June 2022

The Thai economy in June continued to recover, with the expansion in trade and the service sectors as the main driving force, after the relaxation of control measures for both domestic control and international travel. In addition, there were supporting factors from the export sector that expanded well in line with increasing demand from trading partners and the depreciation of the baht. However, going forward, the economy is still at risk from the global economic slowdown.

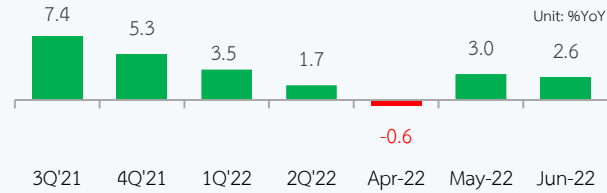
### Private Consumption

Private consumption in June continued to expand by **8.9%YoY**, mainly due to the expansion in services, in line with the improvement in consumer confidence following the easing of the Covid-19 situation and the relaxation of international travel restrictions.



### Private Investment

Private investment in June grew by **2.6%YoY**, due to increased investment in both machinery equipment, and construction categories. Still, investment grew at a slower pace due to higher costs and shortages of parts.



### Exports

- In June, Thai exports grew by **11.9%YoY** due to the expansion in key markets such as ASEAN and India, along with the depreciation of the baht.
- Thai exports in the first half of the year grew strongly at **12.7%YoY**. As a result of the increase in production volumes and high prices of agricultural commodities, along with the expansion of energy-related products.

Market	Share (%) Jan-Jun 22	Jan-Jun 2022		Jun-22	
		Mn USD	%YoY	Mn USD	%YoY
<b>Total</b>	<b>100.0</b>	<b>149,185</b>	<b>12.7</b>	<b>26,553</b>	<b>11.9</b>
ASEAN	25.0	37,295	18.1	6,968	28.3
U.S.A.	16.1	24,004	20.5	4,429	12.1
China	12.4	18,454	0.8	3,297	-2.7
EU	9.0	13,451	6.1	2,321	5.8
Japan	8.5	12,715	1.4	2,148	-1.0
Hong Kong	3.7	5,547	-1.9	1,053	-6.4

Commodity Price & Exchange Rate	Jan-Jun 2022		Jun-22	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	102.7	63.1	115.7	63.1
Gold price (USD/troy oz)	1,873.7	3.7	1,836.6	0.1
Exchange rate (THB/USD)	33.7	9.5	35.0	11.2
NEER index	116.4	-3.9	115.3	-3.1

### Farm Income

June farm income rose **18.4%YoY** in line with higher yields, especially rice and corn. While, prices of cassava, oil palm and swine increased due to declining supply.

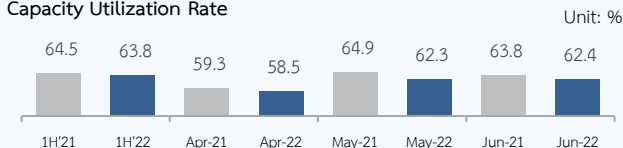
Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	May-22	Jun-22	May-22	Jun-22	May-22	Jun-22
	<b>Agriculture</b>	<b>18.9</b>	<b>18.4</b>	<b>9.0</b>	<b>11.1</b>	<b>9.1</b>
Paddy	46.8	98.2	0.9	9.8	45.5	80.5
Cassava	16.0	7.6	30.6	34.5	-11.2	-20.0
Maize	73.5	91.6	33.9	30.3	29.6	47.1
Palm kernel	56.8	59.7	86.3	62.3	-15.8	-1.6
Swine	17.8	28.3	29.2	40.6	-8.8	-8.8

### MPI and Capacity Utilization

June manufacturing production down **0.1%YoY** due to the shortage of raw materials affecting the production of automobiles and electronics.

MPI (%YoY)	1H'22	May-22	Jun-22	%MoM
<b>Overall MPI</b>	<b>0.5</b>	<b>-2.0</b>	<b>-0.1</b>	<b>-0.1</b>
Automotive	2.6	-8.5	3.3	8.8
Hard disk drive	-22.8	-32.6	-34.4	21.3
Food	0.8	-1.7	1.8	-1.5

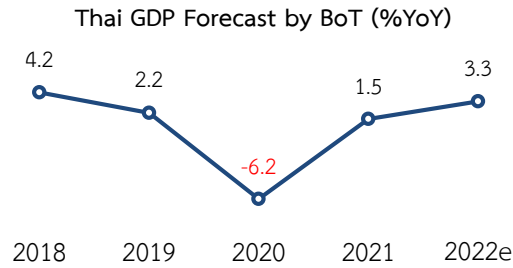
### Capacity Utilization Rate



Note: MPI stands for Manufacturing Production Index

# Economic Update

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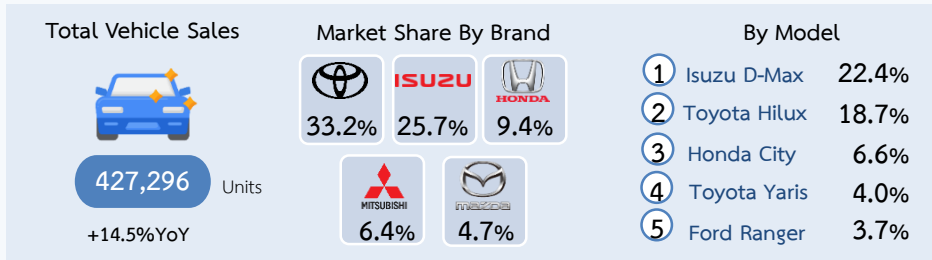


%YoY	2021	2022e
Private Consumption	0.3	4.9
Government Consumption	3.2	-1.9
Private Investment	3.3	5.4
Public Investment	3.8	3.5
Value of Merchandise Exports	18.8	7.9
Headline Inflation (%)	1.2	6.2

### Domestic vehicle sales

June new car sales were 67,945 units, an increase of 4.6%YoY. As a result, the first half of the year saw a total of new car sales at 427,296 units, an increase of 14.5%YoY. However, high inflation and rising oil prices remained a key factor limiting the growth of car sales in the medium term.

#### Domestic vehicle sales, 1H2022



Commercial car sales increased 13.9%YoY, due to the economic recovery from the relaxation of Covid-19 situation, coupled with farm income improvement, but passenger car sales turned to contraction as a result of shortages of parts and semiconductors.

Domestic Vehicle Sales by Body Type	Jan-Jun 2022		Jun-22	
	Unit	%YoY	Unit	%YoY
Passenger car	135,893	38.9	19,591	-13.1
Commercial car	291,403	38.5	48,354	13.9
Pick up 1 ton	202,442	37.9	37,619	28.1
SUV	41,270	36.8	6,870	23.5
Other	47,691	42.8	3,865	-48.6
<b>Overall</b>	<b>427,296</b>	<b>14.5</b>	<b>67,945</b>	<b>4.6</b>

### Tourism

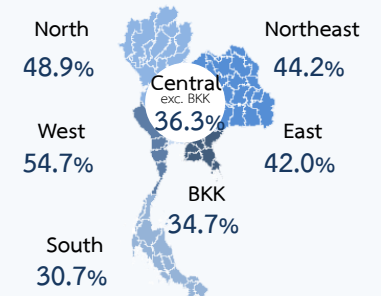
In the first half of the year, Thailand had 2.08 million international tourist arrivals with total spending of 88,945 million THB, due to the relaxation of international travel restrictions. Thailand has keys tourist markets from India, ASEAN and the Middle East that drive the tourism sector while the Chinese tourists are still restricted for international travel and Russia-Ukraine still have conflict.

#### International tourist arrivals, 1H2022



The average occupancy rate of hotels nationwide in the first half of the year was at 39.2%YoY, due to continued recovery of domestic and foreign tourists, tourism stimulus and the relaxation of epidemic control measures. However, occupancy rate of the southern region remains low, partly due to the hotel over-supply situation.

#### Occupancy Rate, 6M2022



# Export of Goods For June 2022

Major products	Share 1H'22 (%)	Jan-Jun 22		Jun-22	
		Million USD	%YoY	Million USD	%YoY
<b>Total exports</b>	<b>100.0</b>	<b>149,185</b>	<b>12.7</b>	<b>26,553</b>	<b>11.9</b>
<b>Agriculture</b>	<b>9.6</b>	<b>14,322</b>	<b>9.3</b>	<b>2,766</b>	<b>21.7</b>
- Rice	1.2	1,837	30.5	384	68.2
- Rubber	1.9	2,857	4.7	459	16.1
- Tapioca	1.7	2,500	23.4	321	2.5
- Fruits	2.4	3,535	10.0	944	39.4
- Fishery	0.5	813	2.8	150	-11.2
<b>Agro-industrial</b>	<b>8.0</b>	<b>11,999</b>	<b>27.9</b>	<b>2,200</b>	<b>28.3</b>
- Prepared or preserved seafood	1.3	1,896	11.7	343	15.3
- Cane sugar and molasses	1.2	1,785	136.3	302	92.4
- Wheat products and other food	0.8	1,249	9.9	222	11.3
- Beverages	0.7	1,013	-4.7	177	-7.6
<b>Manufacturing</b>	<b>78.0</b>	<b>116,390</b>	<b>10.5</b>	<b>20,278</b>	<b>6.7</b>
- Automotive	12.3	18,327	-6.3	3,064	-6.7
- Electronics	14.7	21,919	6.3	4,395	13.7
- Electrical appliances	10.1	15,036	5.8	2,462	1.3
- Precious stones and jewelry	5.9	8,746	94.6	1,124	18.6
- Unwrought gold	3.3	4,862	179.4	562	30.0
- Rubber products	4.9	7,258	-4.4	1,242	-4.9
- Petro-chemical products	4.0	5,971	11.7	987	4.6
- Chemicals	3.5	5,154	13.1	870	-3.1
- Machinery & equipment	3.0	4,496	15.6	816	10.4
- Apparels & textile	2.4	3,553	12.4	618	10.0
- Metal & steel	2.5	3,745	14.6	708	13.4
<b>Mining &amp; Fuel</b>	<b>4.3</b>	<b>6,473</b>	<b>43.4</b>	<b>1,309</b>	<b>73.7</b>

Products	Jun-22	
	Million USD	%YoY
<b>Automotive</b>	<b>3,064</b>	<b>-6.7</b>
- Passenger car	817	-15.7
- Pick up and trucks	696	11.4
- Motorcycle	276	-24.4
- Spark-ignition reciprocating internal combustion	355	4.0
- Parts & accessories	812	-7.6

Products	Jun-22	
	Million USD	%YoY
<b>Electronics</b>	<b>4,395</b>	<b>13.7</b>
- Computer parts	2,353	19.1
- HDD	1,589	22.4
- Electronic integrated circuits	828	7.5
- Telecommunication	423	52.1
- Semi-conductor devices, transistors, diodes	249	-0.7

# End of Presentation

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## Disclaimer

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