

Economic Update For May 2022



Business Research

6 July 2022

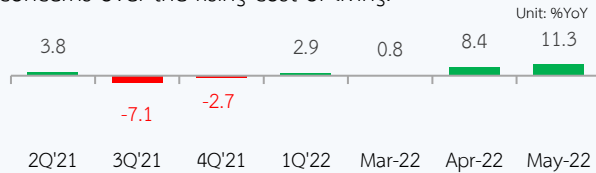
Economic Update

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Thai economy continued to pick up in May 2022 with a backdrop of reviving economic activities. Private consumption and private investment indicators continued to perform well. The value of merchandise exports also increased in almost all categories in accordance with increasing demand from trading partners.

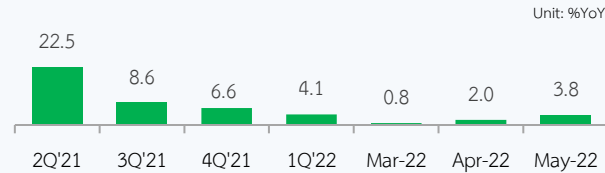
Private Consumption

Private consumption in May grew at a double-digit rate of 11.3%YoY, following improvements in economic activities, resulting in an increase in almost all spending categories. However, consumer confidence continued to decline amid concerns over the rising cost of living.



Private Investment

Private investment increased by 3.8%YoY in May, higher than a 2.0% increase in the previous month. The growth was attributed to increasing imports of capital goods and higher registration of commercial vehicles.



Exports

- There has been a strong performance in Thai exports despite the prolonged Russia-Ukraine conflicts. The value of merchandise exports in May grew by 10.5%YoY to 25,509 mn USD, supported by rising demand from trading partners as well as from the baht depreciation.
- During the month, fruit exports to China also expanded favorably, thanks to improved logistics management.

Farm Income

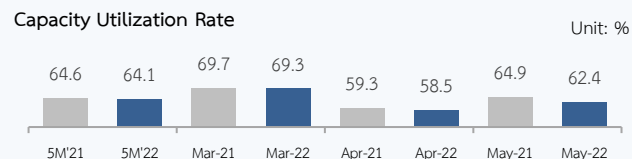
Farm income in May rose by 21.6%YoY on a back of a sharp surge in agricultural yields, especially paddy and sugarcane yields under favorable weather conditions.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	Apr-22	May-22	Apr-22	May-22	Apr-22	May-22
	Agriculture	15.8	21.6	10.2	9.1	5.1
Paddy	14.3	47.2	-7.3	0.9	23.3	45.9
Sugarcane	40.1	216.7	15.4	15.4	21.4	174.4
Cassava	8.5	16.0	15.2	30.6	-5.8	-11.2
Swine	6.6	17.8	17.6	29.2	-9.4	-8.8
Palm kernel	93.6	56.8	110.9	86.3	-8.2	-15.8

MPI and Capacity Utilization

Manufacturing production declined by 2.1%YoY in May due mainly to a drop in the automotive and hard disk drive production from supply chain disruption.

MPI (%YoY)	Q1'22	Apr-22	May-22	%MoM
Overall MPI	1.6	-0.0	-2.1	7.5
Automotive	3.5	12.7	-8.3	7.3
Hard disk drive	-13.7	-27.5	-32.6	-1.8
Food	3.0	-5.5	-1.7	8.0



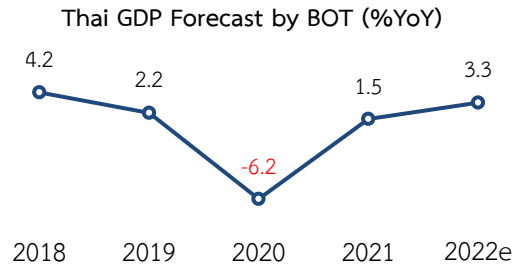
Note: MPI stands for Manufacturing Production Index

Market	Share (%) Jan-May 22	Jan-May 2022		May-22	
		Mn USD	%YoY	Mn USD	%YoY
Total	100.0	122,632	12.9	25,509	10.5
ASEAN	24.7	30,327	16.0	6,795	10.4
U.S.A.	16.0	19,575	22.5	4,459	29.2
China	12.4	15,156	1.6	3,208	3.8
Japan	8.6	10,567	1.9	2,272	6.2
EU	9.1	11,129	6.1	2,716	7.7
India	3.8	4,630	41.3	1,030	64.3

Commodity Price & Exchange Rate	Jan-May 2022		May-22	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	100.1	63.1	108.3	64.2
Gold price (USD/troy oz)	1,881.1	4.5	1,848.5	-0.1
Exchange rate (THB/USD)	33.5	9.1	34.4	10.0
NEER index	116.6	-4.0	116.3	-2.4

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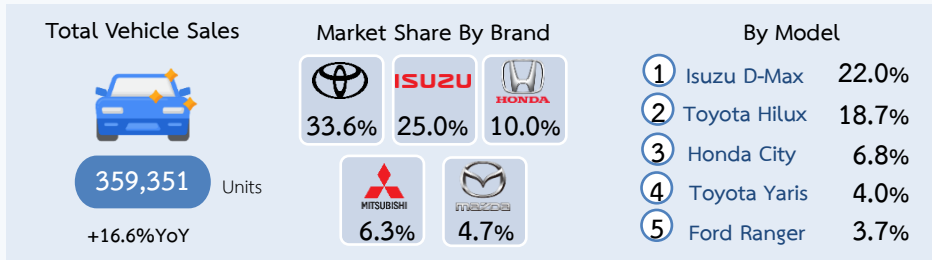


%YoY	2021	2022e
Private Consumption	0.3	4.9
Government Consumption	3.2	-1.9
Private Investment	3.3	5.4
Public Investment	3.8	3.5
Value of Merchandise Exports	18.8	7.9
Headline Inflation (%)	1.2	6.2

Domestic vehicle sales

New car sales in May were 64,735 units, which increased by 15.7%YoY, thanks to the government's easing of covid-19 measures, bringing car sales in the first 5 months of the year to 359,351 units, which increased by 16.6%YoY. However, the soaring oil prices remained a major concern on the MoM growth rate.

Domestic vehicle sales, 5M2022



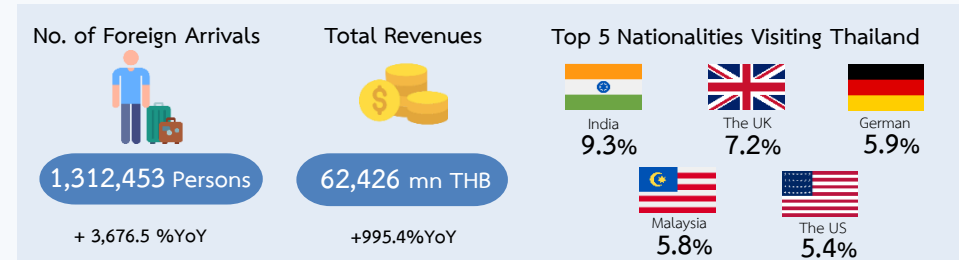
Passenger car sales rose by 29.0% YoY, due to the popularity of eco cars. Commercial car sales grew by 10.6%YoY, as the COVID-19 outbreak has subsided recently, leading to acceleration in economic activities and farm income.

Domestic Vehicle Sales by Body Type	Jan-May 2022		May-22	
	Unit	%YoY	Unit	%YoY
Passenger car	116,302	18.9	20,084	29.0
Commercial car	243,049	15.5	44,651	10.6
Pick up 1 ton	164,823	12.2	29,237	6.7
SUV	34,400	14.0	6,926	31.2
Other	43,826	31.3	8,488	10.1
Overall	359,351	16.6	64,735	15.7

Tourism

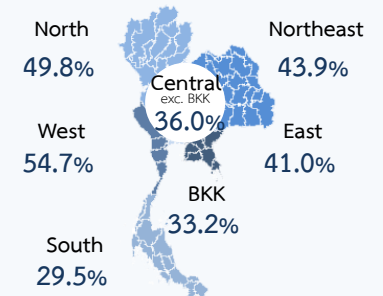
In the first 5 months, Thailand had 1.31 million international tourist arrivals with total spending of 62.43 billion Baht, due to further relaxation of international travel restrictions. Potential markets such as India and ASEAN could support tourist flows during the tough period of China's travel restrictions and Russia-Ukraine conflicts.

International tourist arrivals, 5M2022



The average occupancy rate of hotels nationwide in the first 5 months of the year was at 38.4%, thanks to the return of domestic and foreign tourists, tourism stimulus and ease of international travel restrictions. However, occupancy rate of the southern region remained low, partly due to massive cumulative hotel supply.

Occupancy rate, 5M2022



Export of Goods For May 2022

Major products	Share 5M'22 (%)	Jan-May 22		May-22	
		Million USD	%YoY	Million USD	%YoY
Total exports	100.0	122,632	12.9	25,509	10.5
Agriculture	9.4	11,556	6.7	3,167	21.5
- Rice	1.2	1,453	23.2	250	24.7
- Rubber	2.0	2,398	2.8	435	3.9
- Tapioca	1.8	2,179	27.3	506	81.4
- Fruits	2.1	2,592	2.1	1,366	27.6
- Fishery	0.5	663	6.6	136	-4.6
Agro-industrial	8.0	9,800	27.9	2,143	32.7
- Prepared or preserved seafood	1.3	1,553	10.9	336	32.5
- Cane sugar and molasses	1.2	1,482	147.9	324	171.9
- Wheat products and other food	0.8	1,028	9.6	209	16.6
- Beverages	0.7	836	-4.1	185	3.9
Manufacturing	78.4	96,112	11.3	18,730	4.2
- Automotive	12.4	15,263	-6.2	3,092	-3.2
- Electronics	14.3	17,524	4.6	3,556	-0.8
- Electrical appliances	10.3	12,574	6.8	2,542	8.7
- Precious stones and jewelry	6.2	7,622	114.8	1,015	-7.1
- Unwrought gold	3.5	4,300	228.7	257	-60.1
- Rubber products	4.9	6,015	-4.3	1,264	10.0
- Petro-chemical products	4.1	4,984	13.3	991	5.2
- Chemicals	3.5	4,283	17.1	831	-0.2
- Machinery & equipment	3.0	3,680	16.8	767	24.2
- Apparels & textile	2.4	2,934	12.9	604	17.6
- Metal & steel	2.5	3,037	14.9	642	27.9
Mining & Fuel	4.2	5,164	37.4	1,469	65.3

Products	May-22	
	Million USD	%YoY
Automotive	3,092	-3.2
- Passenger car	928	6.0
- Pick up and trucks	588	-16.9
- Motorcycle	272	-24.5
- Spark-ignition reciprocating internal combustion	367	17.1
- Parts & accessories	822	-0.9

Products	May-22	
	Million USD	%YoY
Electronics	3,556	-0.8
- Computer parts	1,529	-17.9
- HDD	876	-27.4
- Electronic integrated circuits	782	6.4
- Telecommunication	491	141.3
- Semi-conductor devices, transistors, diodes	250	10.7

End of Presentation

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