

Economic Update For September 2022



Highlight:

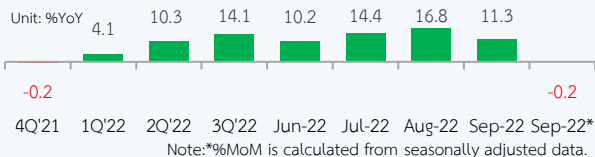
The Thai economy in September continued its recovery path, buoyed by tourism and domestic consumption. The value of merchandise exports rose more than expected, supported by increased shipments of industrial goods. However, there are a myriad of challenges, including high inflation, currency fluctuation, surging energy prices and flooding, which could hamper the economic recovery going forward.

Business Research

3 November 2022

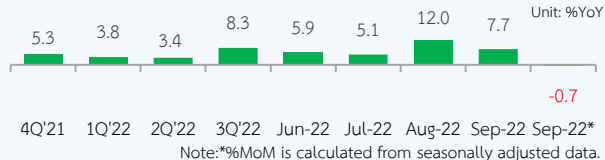
Private Consumption

Private consumption in September after seasonal adjustment was close to the previous month. Spending on services improved following the recovery of foreign tourists, while spending on other categories remained unchanged from the previous month.



Private Investment

Private investment in September after seasonal adjustment dropped slightly by 0.7%MoM, with investment in machinery and equipment decreasing from imports of capital goods. Investment in construction also dropped due to lower sales of construction materials.



Exports

- In September, exports grew by 7.8%YoY against signs of a looming economic slowdown. The upward movement was mainly thanks to the automotive, electronics, and electrical appliances exports which continued to expand after the easing of global microchip shortages.
- Export growth in 9M2022 remained robust with a double-digit growth of 10.6%YoY to USD 221,366 Mn, supported by the baht depreciation.

Market	Share (%)	Jan-Sep 2022		Sep-22	
		Jan-Sep 22	USD Mn	%YoY	USD Mn
Total	100.0	221,366	10.6	24,919	7.8
ASEAN	25.3	55,997	18.5	6,170	16.1
U.S.A.	16.5	36,447	18.8	4,699	26.1
China	12.0	26,627	-5.9	2,695	-13.2
Japan	9.2	20,416	9.7	2,483	22.2
EU	8.5	18,886	0.9	2,156	-1.7
Australia	3.8	8,328	3.5	978	12.7

Commodity Price & Exchange Rate	Jan-Sep 2022		Sep-22	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	101.2	53.9	90.6	25.5
Gold price (USD/troy oz)	1,824.5	1.3	1,680.8	-5.3
Exchange rate (THB/USD)	34.6	9.9	37.0	12.1
NEER index	115.4	-3.0	113.6	-0.6

Farm Income

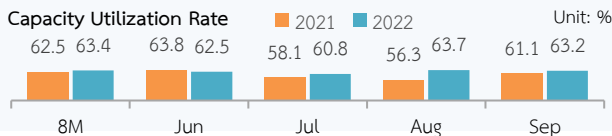
September farm income expanded by 18.1%YoY on the back of rising agricultural prices especially livestock prices from both swine and fowl as well as the paddy prices that grew in line with demand.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	Aug-22	Sep-22	Aug-22	Sep-22	Aug-22	Sep-22
	Agriculture	16.9	18.1	23.3	18.9	-5.2
Paddy	30.9	31.7	22.0	26.4	7.3	4.2
Cassava	30.3	23.7	34.3	26.1	-3.0	-1.9
Durian	-59.9	-75.3	64.3	51.5	-75.6	-83.7
Rubber, RSS3	2.5	-7.4	4.0	-5.8	-1.5	-1.7
Swine	46.1	56.8	50.4	56.7	-2.8	0.1
Fowl	43.4	42.8	42.1	41.7	0.9	0.8

MPI and Capacity Utilization (Cap-U)

September MPI continued to grow, but at a slower pace of 3.4%YoY compared to the previous month. The key industries driving MPI included automotive and petroleum that kept rising in line with rebounding tourism, leading Cap-U to edging up over the last year.

MPI (%YoY)	1H'22	3Q'22	Aug-22	Sep-22	%MoM
Overall MPI	0.5	8.1	14.9	3.4	-1.7
Automotive	2.6	35.8	61.3	27.5	2.9
Petroleum	14.5	17.3	17.6	21.7	-4.1
IC & semiconductors	6.6	12.9	18.9	10.6	-0.4



Domestic vehicle sales

September vehicle sales soared by 15.6%YoY to 74,150 units, thanks to new car models and the economic recovery after Thailand fully reopened the country to foreign tourists and investors, enabling the accumulated vehicle sales in 9M2022 to reach 633,687 units. With an optimistic sign, car sales this year are likely to increase from the previous year's record.

Domestic vehicle sales, 9M2022

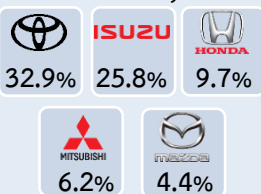
Total Vehicle Sales



633,687 Units

+19.1%YoY

Market Share By Brand



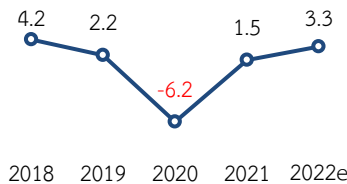
By Model

- 1 Isuzu D-Max 23.0%
- 2 Toyota Hilux 18.6%
- 3 Honda City 5.8%
- 4 Toyota Yaris 3.8%
- 5 Ford Ranger 3.5%

By body type, passenger car sales in September were down 8.6%YoY to 23,074 units. On the contrary, commercial vehicle sales witnessed a 31.4%YoY healthy growth to 51,076 units in accordance with the economic recovery and the government's price guarantee scheme for agricultural products that helped increase farm income.

Domestic Vehicle Sales by Body Type	Jan-Sep 2022		Sep-22	
	Unit	%YoY	Unit	%YoY
Passenger car	200,721	14.0	23,074	-8.6
Commercial car	432,966	21.7	51,076	31.4
Pick up 1 ton	293,539	18.4	34,749	28.1
SUV	60,334	23.9	6,158	18.8
Other	79,093	33.5	10,169	55.1
Overall	633,687	19.1	74,150	15.6

Thai GDP Forecast by BoT (%YoY)



%YoY

2021

2022e

Private Consumption	0.3	5.6
Government Consumption	3.2	-2.2
Private Investment	3.3	3.3
Public Investment	3.8	1.7
Value of Merchandise Exports	18.8	8.2
Headline Inflation (%)	1.2	6.3

Tourism

Foreign tourists continued to recover with high numbers of over 1 million people for the third consecutive month in September, adding momentum to tourism recovery via the government's travel and accommodation subsidies. As a result, the number of foreign arrivals during 9-month period increased markedly by 6,525.9%YoY to 5.69 million people.

International tourist arrivals, 9M2022

No. of Foreign Arrivals



5,688,035 Persons

+6,525.9%YoY

Total Revenues



195,114 THB Mn

+1,777.4%YoY

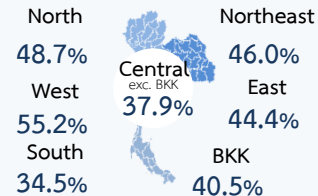
Top 5 Nationalities Visiting Thailand



Malaysia 17.1% India 10.1% Singapore 5.5% Vietnam 4.7% Laos 4.6%

The average occupancy rate of hotels nationwide in 9M2022 was at 42.0%. The highest occupancy rate came from hotels in tourism provinces in the West as more locals chose nearby provinces for one-day trips to save money.

Occupancy rate, 9M2022



Export of Goods

For Sep 2022

Major products	Share 9M'22 (%)	Jan-Sep 22		Sep-22	
		USD million	%YoY	USD million	%YoY
Total exports	100.0	221,366	10.6	24,919	7.8
Agriculture	9.4	20,783	5.2	2,005	2.7
- Rice	1.3	2,796	23.6	325	2.7
- Rubber	1.9	4,201	3.2	423	-7.7
- Tapioca	1.5	3,415	14.4	300	-5.6
- Fruits	2.1	4,703	-8.9	232	-29.7
- Fishery	0.6	1,265	2.2	165	0.9
Agro-industrial	8.0	17,750	25.7	1,735	0.8
- Prepared or preserved seafood	1.3	2,895	13.9	344	19.8
- Cane sugar and molasses	1.2	2,676	139.7	143	18.1
- Wheat products and other food preparations	0.9	1,889	9.7	216	6.2
- Beverages	0.7	1,505	1.0	166	26.2
Manufacturing	78.3	173,279	9.0	20,234	9.4
- Automotive	12.5	27,735	-1.9	3,256	8.5
- Electronics	15.2	33,755	7.1	4,775	20.6
- Electrical appliances	10.2	22,482	7.1	2,603	7.1
- Precious stones and jewelry	5.6	12,462	73.1	1,537	99.4
- Unwrough gold	2.9	6,324	116.8	524	121.5
- Rubber products	4.8	10,663	-3.7	1,104	-1.4
- Petro-chemical products	3.9	8,552	2.5	823	-18.2
- Chemicals	3.4	7,518	5.5	795	-12.4
- Machinery & equipment	3.0	6,728	11.7	805	-4.6
- Apparels & Textile	2.4	5,307	11.2	595	7.3
- Metal & steel	2.5	5,446	7.1	529	-14.0
Mining & Fuel	4.3	9,555	31.2	945	1.2

Products	Sep-22	
	USD million	%YoY
Automotive	3,256	8.5
- Passenger car	951	12.8
- Pick up and trucks	627	12.7
- Motorcycle	376	49.2
- Spark-ignition reciprocating internal combustion	329	-17.6
- Parts & accessories	849	1.3

Products	Sep-22	
	USD million	%YoY
Electronics	4,775	20.6
- Computer parts	2,491	13.9
- HDD	1,591	15.7
- Electronic integrated circuits	792	6.4
- Telecommunication	609	115.7
- Semi-conductor devices, transistors, diodes	323	58.0

End of Presentation

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