

Economic Update for September 2021



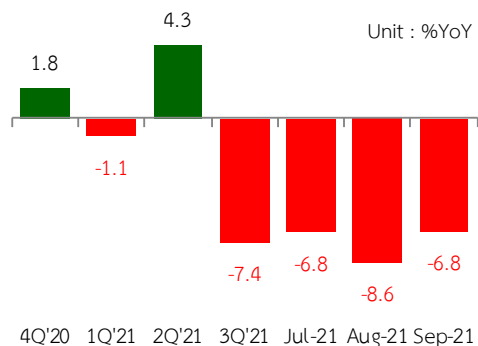
Business Research Office
Data Governance and Analytics Group
November 4, 2021

Highlight in September 2021

The Thai economy in September fared better than the previous month as the government eased the containment measures together with the widespread distribution of vaccines. Private investment indicators and merchandise exports posted a continued expansion, while private consumption indicators declined at a slower rate, reflecting signs of Thai economic recovery.

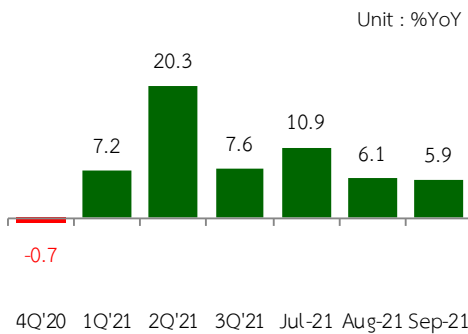
Private consumption

Private consumption declined at a lower pace, with recording a 6.8%YoY plunge in September. After seasonal adjustment, the indicators posted a 3.9% rise from August, thanks to the recovery in household purchasing power based on the easing of the containment measures.



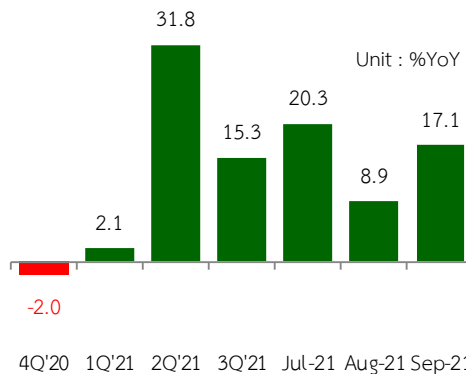
Private investment

Private investment indicators kept rising in September, resulting in a 5.9%YoY expansion. After seasonal adjustment, the indicators surged from August, thanks to rising investment in the machinery and equipment following the recovery in demand and business sentiment.



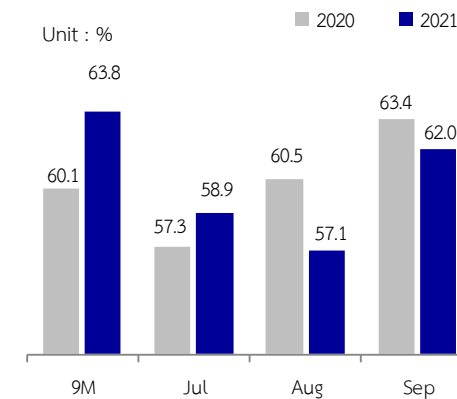
Export of goods

The growth of merchandise exports in September stood at 17.1%YoY, greater than the previous month, thanks to the recovery in demand among trading partners, in which the pandemic situation subsided, as well as the resuming of manufacturing operations in the country.



Capacity utilization

Utilization rate in September was at 62.0%, lower than 63.4% in the same month last year. The decline in utilization rate was attributed to weakened manufacturing operations in different sectors, especially other transport equipment.



Farm income

Farm income recorded a 3.1%YoY contraction in September, due to the impact of falling agricultural prices caused by increasing agricultural output.

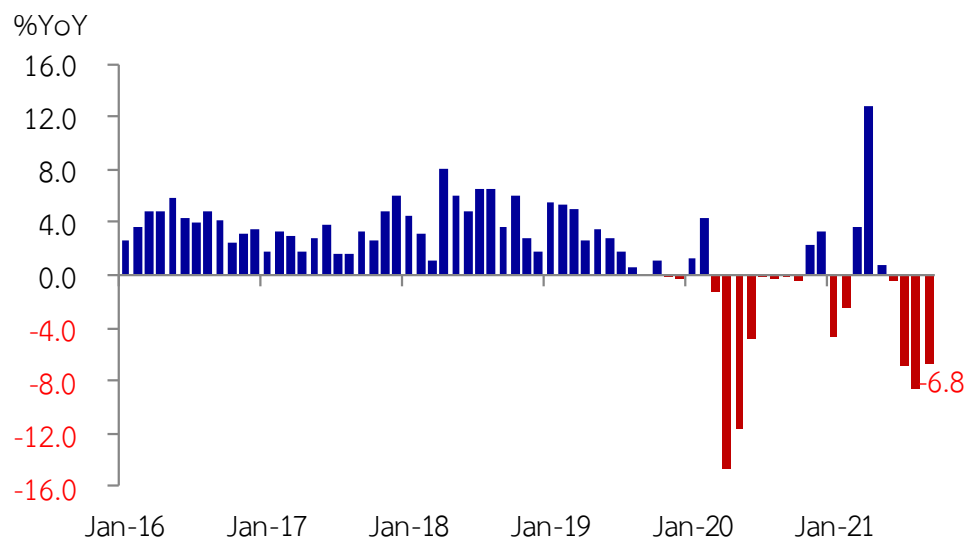
Tourism sector

The tourism sector still faced the tough situation from the international travel restrictions, noting that the number of international arrivals remained low despite the government's stimulus scheme. However, domestic tourism was key to sustain tourism-related businesses.

Private consumption

- Private consumption index in September dropped at a lower rate of 6.8%YoY, comparing to a 8.6%YoY contraction in August. Considering private consumption index after seasonal adjustment, the index grew by 3.9%MoM because of the increase in almost all spending categories supported by various favorable factors including the government's easing containment measures as well as ongoing stimulus measures like the third phase of the Khon La Khrueng (Let's Go Halves) scheme, the progress in Covid-19 vaccinations, as well as pent-up demand.

Growth rate of private consumption index



Private consumption indicators

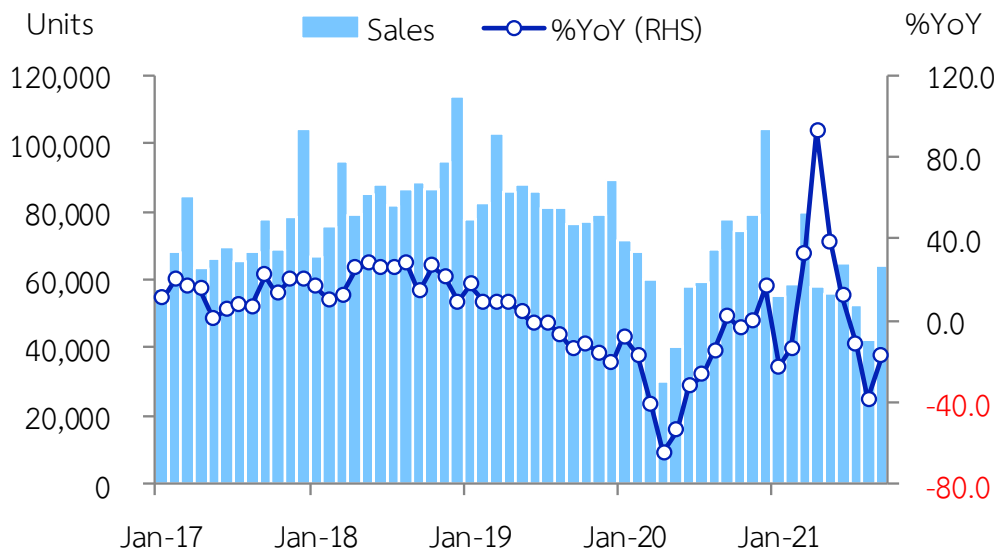
%YoY	2020		2021					%MoM
	H1	H2	Q1	Q2	Q3	Aug	Sep	
Non-durable index	-2.6	-0.8	-4.2	-0.2	-10.4	-11.1	-9.5	3.1
Semi-durable index	-3.7	-3.3	2.0	6.3	1.7	2.2	1.1	0.0
Durable index	-21.3	-5.2	-1.9	27.9	-14.1	-22.3	-11.4	16.2
Services index	-18.9	-23.7	-17.3	4.1	-5.8	-6.4	-6.2	3.7
(Less) Net tourism spending	-59.6	-91.5	-91.0	-35.2	-22.2	-8.9	-44.3	-4.8
Private consumption index	-4.7	0.8	-1.1	4.3	-7.4	-8.6	-6.8	3.9

Note: %MoM is calculated from seasonally adjusted data

Domestic vehicle sales

- Domestic vehicle sales in Thailand dropped 17.7%YoY to 64,122 units in September as the prolonged pandemic nationwide as well as flooding in some areas weakened consumer purchasing power. The drop in sales during the month happened across all segments. Passenger car sales witnessed a fall of 13.5%YoY to 25,255 units, while the commercial car segment moved in the same direction with a 20.2%YoY plunge in sales to 38,867 units.
- Considering overall new vehicle sales for the first nine months of the year, 531,931 units were sold, making a slight decline of 0.5% from the same period last year.

Domestic new vehicle sales



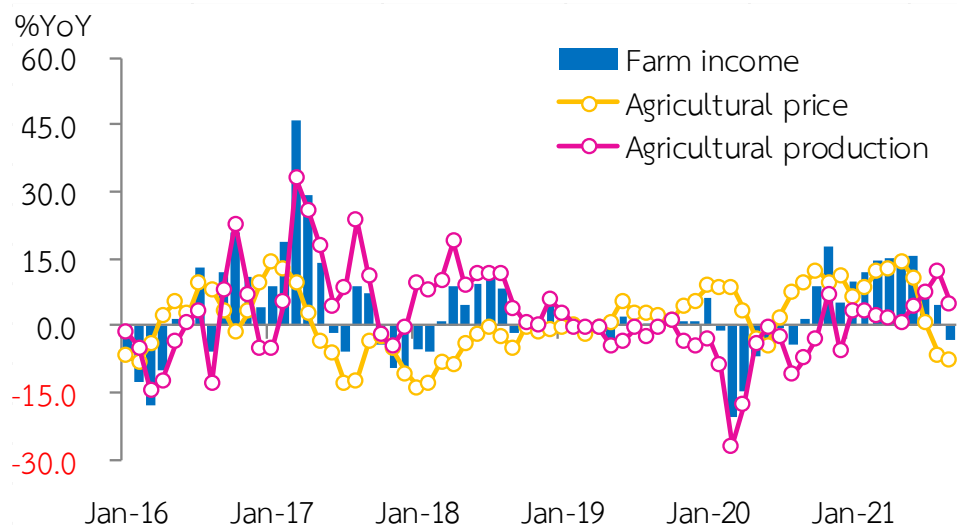
Top 10 new vehicle sales by brand in 2021

Brand	Share (%)	Sales (units)		Change (%YoY)	
		Jan-Sep	Sep	Jan-Sep	Sep
Toyota	31.3	166,294	19,971	6.1	-15.8
Isuzu	24.7	131,529	13,649	6.5	-11.6
Honda	11.5	61,329	6,311	-5.7	-30.5
Mitsubishi	6.2	32,921	3,504	-18.8	-27.9
Mazda	4.9	25,813	2,980	-1.0	-23.9
Ford	4.2	22,574	2,107	16.8	-26.0
Nissan	4.0	21,447	2,146	-35.1	-37.4
MG	4.0	21,279	2,443	13.8	-10.8
Suzuki	2.8	14,741	1,485	-15.5	-30.8
Hino	1.8	9,803	1,227	41.5	10.6
Others	4.5	24,201	8,299	-11.5	-3.9
Total	100.0	531,931	64,122	-0.5	-17.7

Farm income

- During September, falling agricultural prices, particularly paddy and fruits, due to rising output had caused farm income to drop by 3.1%YoY, and against August's 4.7%YoY rise. In addition, weak consumer demand was another obstacle for the agricultural sector.

Farm income and components



Farm income and components in 2021

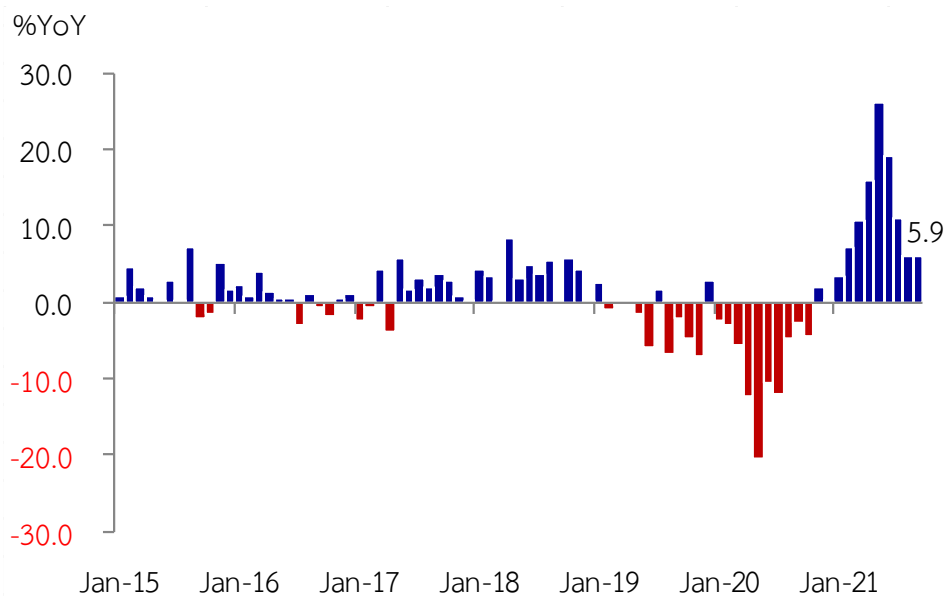
Item	Farm Income		Agricultural price		Agricultural production	
	Aug	Sep	Aug	Sep	Aug	Sep
Agriculture	4.7	-3.1	-6.5	-7.6	12.0	4.9
Paddy	-14.7	-25.8	-29.4	-29.4	20.8	5.1
Sugarcane	N.A.	N.A.	30.3	30.3	N.A.	N.A.
Cassava	30.4	34.7	16.6	20.6	11.8	11.7
Maize	13.3	26.0	3.1	8.3	9.8	16.4
Rubber, uss3	20.9	4.8	16.6	0.4	3.7	4.4
Durian	-3.1	-19.9	-28.1	-21.8	34.8	2.4
Palm kernel (weight over 15 kg.)	93.3	77.3	90.8	72.3	1.3	2.9
Coconut	-20.4	-16.9	-33.4	-31.9	19.5	22.0
Swine (weight over 100 kg.)	-8.7	-12.1	-11.0	-14.2	2.5	2.5
Fowl	4.5	-3.6	-1.3	-3.9	5.8	0.3
Egg, chicken	2.7	4.5	2.2	4.1	0.6	0.3
Shrimp, Vannamei	-20.5	-13.8	-10.1	-10.5	-11.5	-3.8

Source : OAE

Private investment

- Private investment index rose 5.9%YoY in September, lowering from August, which recorded a 6.1% expansion.
- After the seasonal adjustment basis, the index recorded a 1.5% increase over the previous month, boosted by rising investment in machinery and equipment on the back of improved demand and business sentiment. On the construction front, investment in construction remained sound, thanks to the relaxation of containment measures in construction sites from the end of July 2021. Rising sales of construction material during the month were from ready-mixed concrete and concrete pile.

Growth rate of private investment index



Private investment indicators

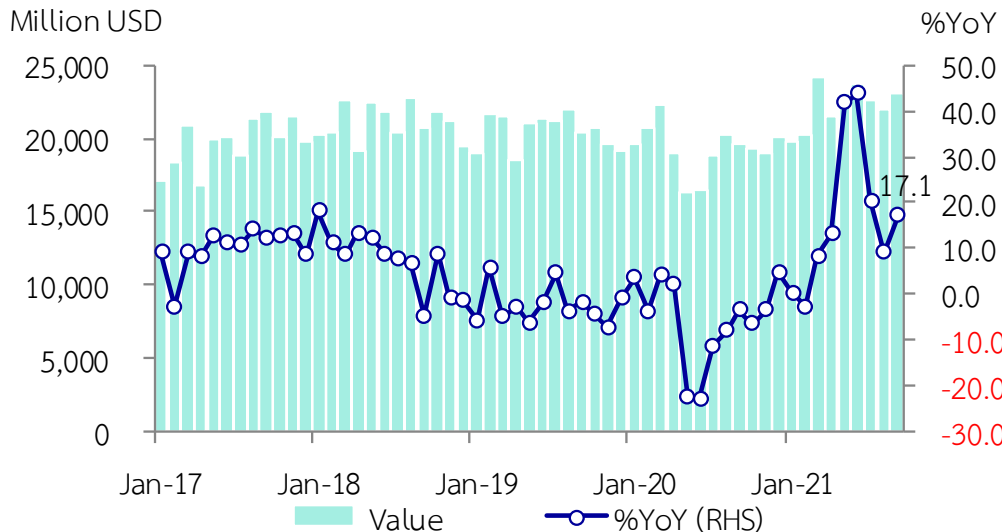
%YoY	2020		2021					%MoM
	H1	H2	Q1	Q2	Q3	Aug	Sep	
Permitted construction area	-0.6	-4.6	-10.6	-9.4	-5.5	-4.3	-4.7	-2.1
Construction material sales index	-0.1	-4.9	3.9	-3.6	-9.8	-8.1	-2.9	3.3
Real imports of capital goods	-14.2	-8.7	16.3	24.5	21.9	23.0	18.0	0.0
Real domestic machinery sales	-13.1	-1.7	10.4	44.2	12.7	6.6	7.2	5.3
Number of newly registered motor vehicles for investment	-17.8	-2.6	0.1	20.3	-12.1	-16.0	-9.3	9.6
Private investment index	-9.1	-3.4	7.2	20.3	7.6	6.1	5.9	1.5

Note: %MoM is calculated from seasonally adjusted data

Export of goods

- Thailand's merchandise exports grew by 17.1%YoY to 23,036 million USD in September, helped by key trading partners' economic recovery, the baht's depreciation, and the government's proactive export promotion.
- Products that expanded strongly during the period included agricultural products like rice, rubber, and tapioca etc., work-from-home products, home appliances, Covid-19 prevention and medical products, intermediate goods and raw materials, as well as durable goods or luxury goods.

Export value and growth



Export value to key markets in 2021

Market	Share Jan-Sep (%)	Jan-Sep		Sep	
		Million USD	%YoY	Million USD	%YoY
Total	100.0	199,998	15.5	23,036	17.1
ASEAN	23.7	47,304	13.4	5,279	17.8
U.S.A.	15.3	30,608	20.5	3,724	20.2
China	14.1	28,274	27.4	3,104	23.3
Japan	9.4	18,757	13.5	2,196	13.2
EU	9.3	18,597	21.5	2,032	9.1
Hong Kong	4.3	8,670	0.8	1,049	14.6
India	3.0	6,097	58.4	929	76.1
Australia	4.0	8,051	9.7	868	-0.6
Middle East	3.2	6,394	15.6	715	21.9
South Korea	2.2	4,439	41.3	497	38.7

Commodity price & Exchange rate	Jan-Sep		Sep	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	65.8	58.1	72.2	75.8
Gold price (USD/troy oz)	1,800.7	3.8	1,775.1	-7.6
Exchange rate (THB/USD)	31.5	0.0	33.0	5.4
NEER index	119.0	-3.0	114.4	-5.6

Source : MOC, BOT, World Bank

Export of goods in 2021

Major product	Share Jan-Sep (%)	Jan-Sep		Sep	
		Million USD	%YoY	Million USD	%YoY
Total exports	100.0	199,998	15.5	23,036	17.1
Agriculture	9.9	19,721	24.7	1,964	12.9
- Rice	1.1	2,236	-17.9	329	33.8
- Rubber	2.0	4,070	71.9	459	83.6
- Tapioca	1.5	2,970	47.7	316	44.4
- Fruits	2.6	5,165	51.9	331	-22.0
- Fishery	0.6	1,236	7.3	164	29.2
Agro-industrial	7.1	14,108	2.7	1,714	11.3
- Prepared or preserved seafood	1.3	2,543	-13.4	287	-18.2
- Cane sugar and molasses	0.5	1,100	-32.7	121	4.1
- Wheat products and other food	0.9	1,723	4.3	203	3.7
- Beverages	0.7	1,490	1.8	131	-25.6
Manufacturing	79.4	158,863	14.6	18,425	15.8
- Automotive	14.1	28,260	31.1	2,969	10.3
- Electronics	15.8	31,513	18.6	3,958	16.5
- Electrical appliances	10.5	20,992	23.6	2,434	11.2
- Precious stones and jewelry	3.6	7,199	-55.4	771	-16.6
- Unwrought gold	1.5	2,916	-77.2	237	-52.6
- Rubber products	5.5	11,078	28.1	1,117	2.6
- Petro-chemical products	4.2	8,343	44.2	1,006	40.3
- Chemicals	3.6	7,127	43.8	909	55.8
- Machinery & equipment	3.0	5,994	26.4	803	32.8
- Apparels & textile	2.4	4,773	12.2	555	19.2
- Metal & steel	2.5	4,994	40.8	615	38.7
Mining & Fuel	3.7	7,305	45.7	933	97.5

Product	Sep	
	Million USD	%YoY
Automotive	2,969	10.3
- Passenger car	844	2.8
- Pick up and trucks	557	7.8
- Motorcycle	252	25.2
- Spark-ignition reciprocating internal combustion	365	36.2
- Parts & accessories	838	5.2

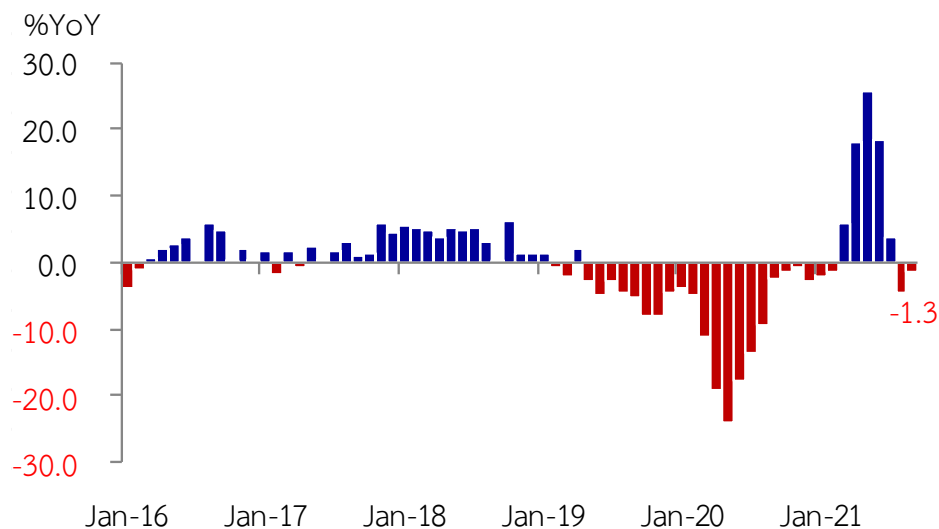
Product	Sep	
	Million USD	%YoY
Electronics	3,958	16.5
- Computer parts	2,187	22.6
- HDD	1,374	38.1
- Printed circuits	745	16.3
- Telecommunication	283	-8.0
- Semi-conductor devices, transistors, diodes	204	-0.7

Source : MOC

Manufacturing production

- Manufacturing Production Index in September dropped for the 2nd straight month and at a slower pace of 1.3%YoY than a 4.7%YoY contraction in August. The slight decline in MPI was attributed to the easing of coronavirus restrictions, coupled with the reduction in infection rates in factories. However, the semiconductor and container-freight shortages put pressures on manufacturing production in particular automobile, electrical appliances, as well as food and beverages.

Growth rate of manufacturing production index

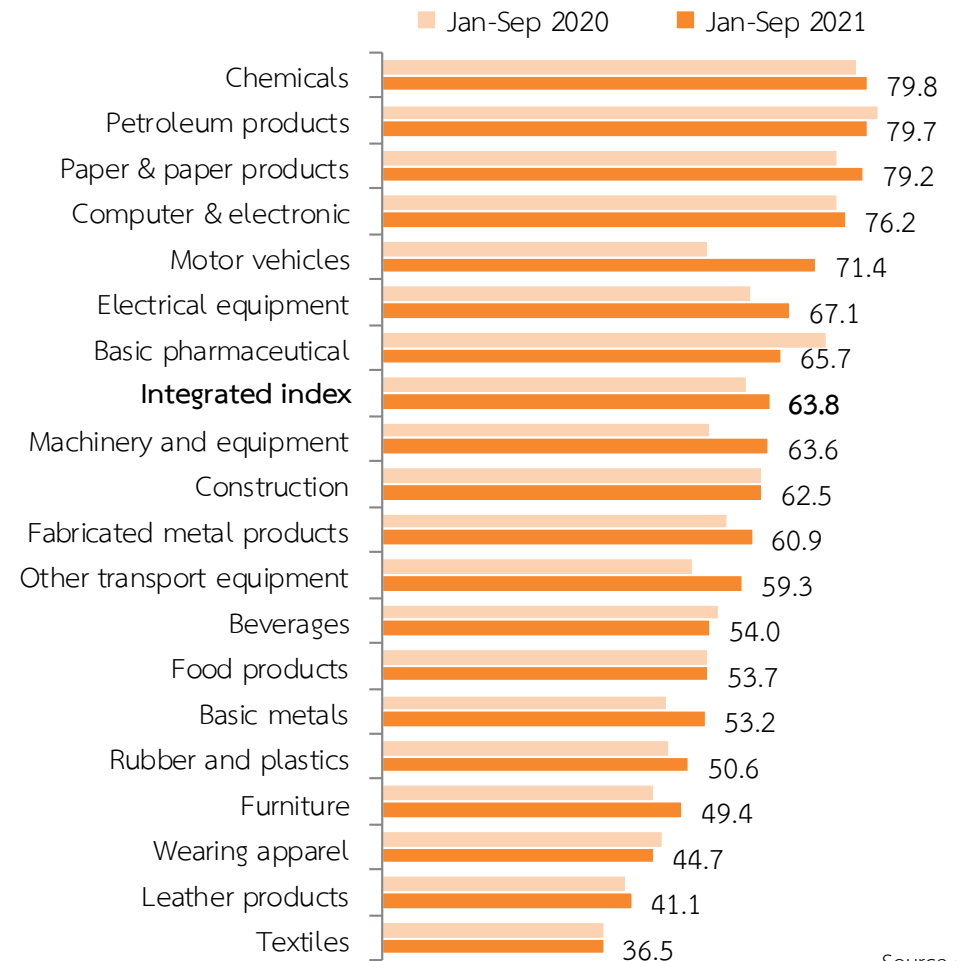
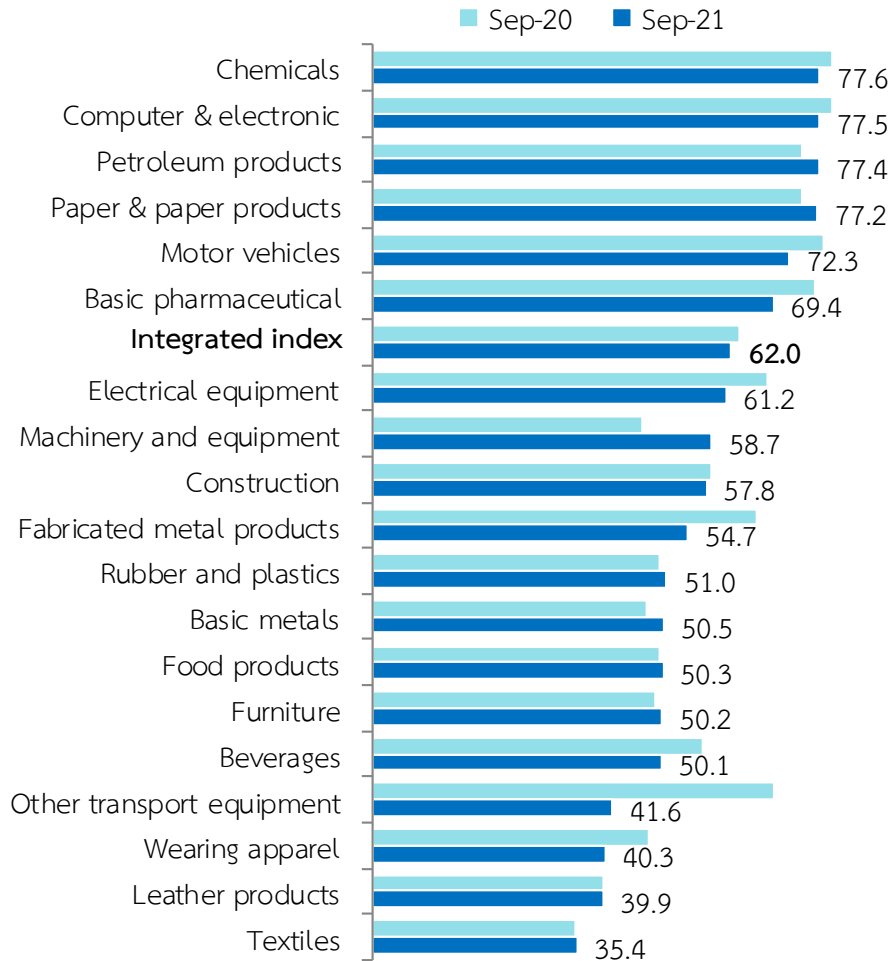


Manufacturing Production Index (MPI)

%YoY	2020	2020		2021					%MoM
		H1	H2	Q1	Q2	Q3	Aug	Sep	
Overall MPI	-9.3	-13.2	-5.1	0.8	20.6	-0.8	-4.7	-1.3	7.5
Basic metal	-7.1	-12.9	-0.8	15.5	33.7	8.5	8.2	13.6	8.0
IC and semiconductors	1.9	-0.4	4.1	12.3	19.7	11.6	8.0	10.3	7.0
Rubbers and plastics	-7.8	-11.4	-4.1	-0.8	17.7	5.2	1.3	4.7	3.4
Food	-6.1	-8.0	-3.8	3.1	3.4	-1.0	-3.1	3.6	7.1
Papers	-0.1	-0.6	0.5	-0.3	11.0	4.0	2.7	3.4	1.6
Chemicals	-3.2	-3.2	-3.3	5.7	2.9	0.7	-5.8	-0.6	0.2
Textiles	-22.5	-24.7	-20.0	-16.6	20.9	-2.3	-6.5	-0.8	12.0
Cements and construction	-5.0	-3.7	-6.3	-2.4	6.0	-6.3	-8.6	-1.9	-1.1
Wearing apparels	-20.7	-9.0	-32.7	-21.9	-11.6	-2.2	-4.3	-3.6	4.6
Basic pharmaceutical	1.3	5.6	-2.8	-5.4	-12.6	-2.7	-1.6	-4.6	12.3
Petroleum	-7.0	-9.9	-3.8	-13.9	2.3	-5.9	-7.1	-5.6	-8.9
Automotive	-28.9	-42.5	-13.8	3.3	147.6	2.7	-8.8	-6.0	31.8
Beverage	-6.2	-11.3	-1.1	-5.7	24.1	-14.3	-20.1	-10.4	9.6
Electrical appliances	5.5	-5.2	16.8	12.6	29.0	-11.2	-12.0	-13.4	2.2
Fabricated metal products	-3.3	-10.4	4.0	4.4	24.9	-5.1	-9.7	-16.5	0.9
Hard disk drive	-2.8	3.1	-7.6	3.9	15.6	-11.0	0.0	-19.4	5.7

Capacity utilization rate of major industries

- The capacity utilization rate in Sep-21 was at 62.0%, lower than 63.4% in Sep-20, due mainly to the decline in several manufacturing operations, especially other transport equipment production. However, on a nine-month basis, the capacity utilization rate was recorded at 63.8% from 60.1% in the same period last year as the improvement in manufacturing production in almost all segments, especially the export-oriented industries.

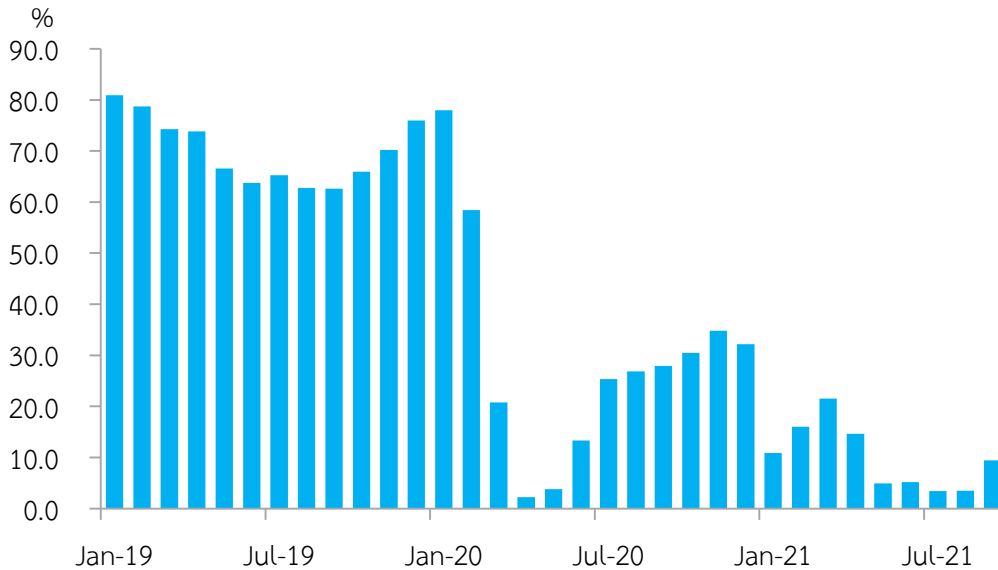


Source : OIE

Tourism sector

- The tourism sector in September had yet to get through the crisis, due mainly to the international travel restrictions. During the period, the number of international tourist arrivals was 12,237, the lowest record in 3 months of the reopening of Phuket under the Phuket Sandbox scheme.
- However, the average occupancy rate at 9.4% in September was higher than the previous month's level, indicating that domestic tourism was key to sustain hotels and other tourism-related businesses since the gradual decline in infection rates and deaths led domestic travelers to being more confident about travelling and resuming social activities.

Average occupancy rate



Average occupancy rate classified by area

%	2020		2021				
	H1	H2	Q1	Q2	Q3	Aug	Sep
Bangkok	34.8	21.6	10.8	9.6	7.9	4.9	14.1
East	28.6	31.2	10.3	8.5	5.7	2.7	11.7
North	29.9	47.4	24.1	9.3	7.9	6.1	11.6
West	30.0	49.2	27.5	12.1	5.2	1.8	11.0
Northeast	26.0	42.8	30.0	8.2	5.3	4.1	7.6
Central exc. Bangkok	23.8	30.8	18.1	5.4	4.0	2.4	7.6
South	27.7	15.7	10.6	6.1	2.8	2.1	4.5
Overall	29.4	29.6	16.2	8.2	5.5	3.5	9.4

End of Presentation

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