



THAI ECONOMIC AND FINANCIAL UPDATE

for March 2025

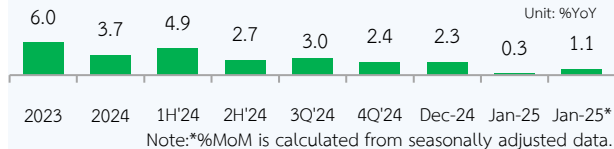
Highlight:

The Thai economy is improving, driven by the continued growth of tourism in terms of both visitor arrivals and revenues. Private consumption has increased, supported by government stimulus measures. This has positively impacted on private investment. Industrial production has increased in line with export growth. Government spending continues to expand in both investment and recurring expenditures.



Private Consumption

Seasonally adjusted private consumption increased in all major categories from the previous month, mainly due to a strong growth in services, supported by the continued recovery of the tourism sector. Spending on non-durable and semi-durable goods also expanded, benefiting from the E-receipt measure. However, spending on durable goods, especially cars, remained constrained by high household debt levels.



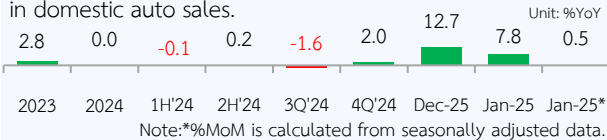
Farm Income

Agricultural income increased from the previous year due to higher yields of sugarcane and fruit, particularly longan and mango, while prices rose due to reduced supply of rubber and palm oil.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	Dec-24	Jan-25	Dec-24	Jan-25	Dec-24	Jan-25
	Agriculture	8.4	5.1	5.4	1.3	2.9
Rubber	32.0	21.3	42.3	20.4	-0.2	0.7
Mango	7.2	71.9	-3.9	-11.1	-12.1	93.3
Palm kernel	-4.8	52.1	51.8	39.9	-16.8	8.7
Longan	14.1	-2.7	-10.1	-22.1	40.4	24.8
Shrimp	44.6	24.6	18.0	22.7	-0.9	1.5

Private Investment

Seasonally adjusted private investment improved from the previous month, with machinery and equipment investment rising in line with higher domestic machinery sales and capital goods imports. Construction investment remained stable, supported by residential sector, with construction of townhouses increased while single-detached and semi-detached houses declined. Meanwhile, investment in vehicles continued to decline, aligning with the decrease in domestic auto sales.

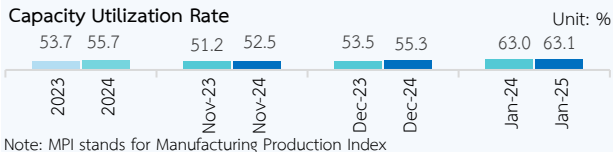


MPI and Capacity Utilization (Cap-U)

Seasonally adjusted industrial production increased from the previous month, driven by higher output in automobiles and petroleum, supported by inventory restocking. The food and beverages sector benefited from government stimulus measures. The chemical industry has shown significant growth, particularly in the production of chemical fertilizers.

MPI (%YoY)	2023	2024	Dec-24	Jan-25	%MoM
Overall MPI	-3.6	-1.3	-1.8	-0.9	1.8 *
Automotives	0.8	-17.0	-17.5	-18.1	13.2
Chemicals	-0.7	2.9	5.2	7.6	11.0
Food	-2.6	3.9	3.5	0.7	19.8

Note: %MoM Overall MPI is calculated from seasonally adjusted data.



Exports

In January 2025, Thailand's exports grew by 13.6%YoY, driven by strong demand from key markets, including the U.S., Europe, and China. High growth export products included electronics, especially computer parts and HDDs, driven by robust demand in the U.S. and Europe. Meanwhile, demand for rubber and processed food products increased in China and ASEAN. However, there was a significant decrease in exports of automobiles, due to weaker demand and competition from Chinese EVs. Furthermore, Rice and fruit exports also faced reduced price competitiveness and more stringent quality controls in China.

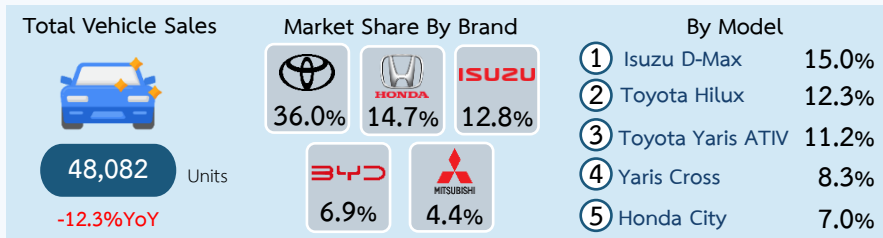
Market	Share (%) Jan-Dec 2024	Jan-Dec 2024		Jan-25	
		USD Mn	%YoY**	USD Mn	%YoY**
Total	100.0	300,529	5.4	25,277	13.6
ASEAN	23.0	70,165	4.6	5,875	5.0
U.S.A.	18.8	54,956	13.7	4,778	22.4
China	12.1	35,243	3.1	2,531	13.2
EU	10.0	28,401	9.1	2,459	13.2
Japan	7.0	23,286	-5.3	1,972	1.9
Australia	3.6	12,330	0.9	802	-27.0

Commodity Price & Exchange Rate	Jan-Dec 2024		Jan-25	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	79.7	-2.8	80.1	1.6
Gold price (USD/troy oz)	2,387.7	22.9	2,709.7	33.2
Exchange rate (THB/USD)	35.3	1.4	34.3	-2.6
NEER index	121.0	1.0	127.7	6.7

Domestic Vehicle Sale

Car sales continued to decline in January 2025, down 12.3%YoY, mainly due to weak domestic purchasing power amid high living costs and household debt, along with a sluggish economic recovery. Financial institutions tightened lending policies amid concerns about credit quality and losses from the sale of repossessed vehicles, as used car prices fell sharply due to competition from Chinese EVs. In addition, slower private investment further contributed to declines in commercial car sales.

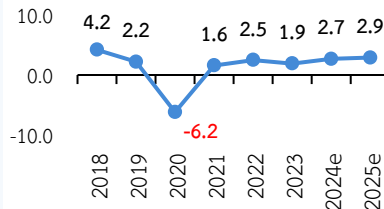
Domestic vehicle sales, Jan 2025



Domestic car sales in January 2025 totaled 48,082 units, down 12.3%YoY, driven by a decline across all vehicle segments, including passenger and commercial vehicles, with pickup sales dropping the most at 18.2% YoY. Toyota maintained the highest market share, followed by Honda and Isuzu. The best-selling model was the Isuzu D-Max, with a 15.0% market share, followed by the Toyota Hilux at 12.3% and the Toyota Yaris ATIV at 11.2%.

Domestic Vehicle Sales by Body Type	Jan-Dec 2024		Jan-25	
	Unit	%YoY	Unit	%YoY
Passenger car	224,156	-23.4	18,243	-22.1
Commercial car	348,519	-27.9	29,839	-5.0
Pickup 1 ton	163,347	-38.3	12,161	-18.2
SUV	117,800	3.2	12,357	12.8
Other	67,372	-35.4	5,321	-4.7
Overall	572,675	-26.2	48,082	-12.3

Thai GDP Forecast by BOT (%YoY)



%YoY	2022	2023	2024e	2025e
Private Consumption	6.2	7.1	4.5	2.4
Government Consumption	0.1	-4.6	2.1	1.5
Private Investment	4.7	3.2	-2.2	2.2
Public Investment	-3.9	-4.6	2.9	5.1
Value of Merchandise Exports*	5.4	-1.5	4.9	2.7
Headline Inflation (%)	6.1	1.2	0.4	1.1

*BOP Basis
Note: Data as of Dec 2024

Tourism

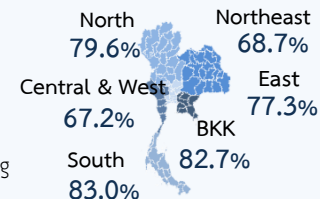
The number of international tourists in January 2025 increased from the previous month, driven by a rise in visitors from China, Malaysia, and high-spending long-haul markets such as France and the United Kingdom. This brought total foreign arrivals to 3.7 million, up 22.2% YoY. However, despite the overall positive trend, the Chinese tourism market remains sluggish, with Chinese arrivals expected to decline by 10-20% during the Lunar New Year period, partly due to a high base effect and ongoing security concerns.

International tourist arrivals, Jan 2025



The nationwide average hotel occupancy rate rose to 78.2% in January 2025 compared to the same period last year, in line with the increase in international tourist arrivals. The highest occupancy rate was recorded in the southern region at 83.0%, followed by Bangkok at 82.7% and the northern region at 79.6%. The South remained popular with tourists escaping the cold weather in their home countries, while the North attracted visitors seeking its cool and pleasant winter climate.

Occupancy Rate, Jan 2025



Export of Goods

For Mar 2025

Major products	Share Jan-Dec 2024 (%)	Jan-Dec 24		Jan-25	
		USD million	%YoY*	USD million	%YoY*
Total exports	100.0	300,529	5.4	25,277	13.6
Agriculture	9.6	28,827	7.5	2,028	-2.2
- Rice	2.1	6,434	25.0	409	-32.4
- Rubber	1.7	4,992	36.8	476	45.5
- Tapioca	1.0	3,133	-15.6	225	-7.9
- Fruits	2.2	6,511	-6.2	258	-11.0
- Fishery	0.5	1,545	1.3	107	-16.7
Agro-industrial	7.8	23,358	4.1	1,698	3.0
- Prepared or preserved seafood	1.3	3,845	10.6	301	11.8
- Cane sugar and molasses	0.8	2,413	-31.4	214	-0.0
- Wheat products and other food preparations	0.9	2,677	10.1	231	19.5
- Beverages	0.7	2,119	3.6	144	-16.0
Manufacturing	79.0	237,461	5.9	20,696	17.0
- Automotive	13.1	39,406	-6.8	2,795	-13.1
- Electronics	17.6	52,940	14.4	4,305	17.3
- Electrical appliances	9.8	29,523	3.0	2,566	11.7
- Precious stones and jewelry	6.1	18,425	24.6	2,902	148.9
- Unwrought gold	2.9	8,758	46.5	1,168	148.9
- Rubber products	4.7	14,239	7.6	1,285	19.9
- Petro-chemical products	2.9	8,794	-0.9	691	4.1
- Chemicals	2.8	8,422	4.6	670	6.6
- Machinery & equipment	3.4	10,316	17.4	903	28.1
- Apparels & Textile	2.1	6,197	2.7	490	1.6
- Metal & steel	2.2	6,635	-4.6	496	-18.6
Mining & Fuel	3.6	10,883	-6.5	855	0.3

Products	Jan-25	
	USD million	%YoY*
Automotive	2,795	-13.1
- Passenger car	739	-26.9
- Pick up and trucks	534	-24.2
- Motorcycle	294	2.0
- Spark-ignition reciprocating internal combustion	280	-7.1
- Parts & accessories	827	3.6

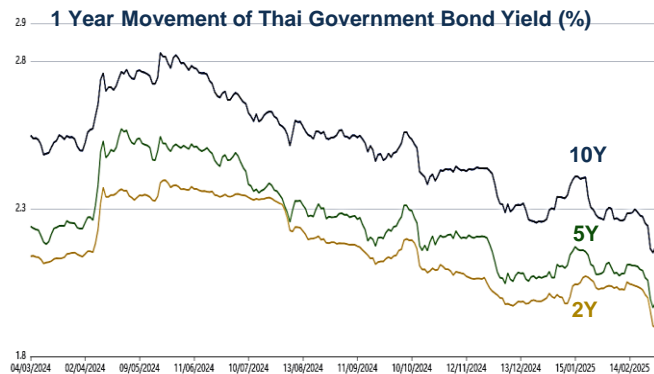
Products	Jan-25	
	USD million	%YoY*
Electronics	4,305	17.3
- Computer parts	2,143	45.0
- HDD	778	36.7
- Electronic integrated circuits	787	9.0
- Telecommunication	496	-16.8
- Semi-conductor devices, transistors, diodes	199	-38.2

Source: MOC (*Custom Basis)

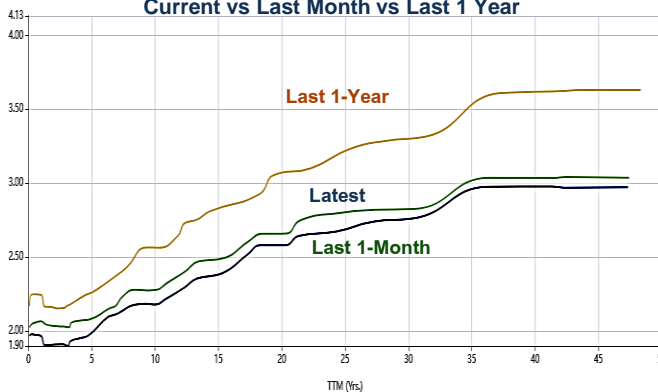
Thai Financial Market Data (1/2)

Data as of : 3 Mar 2025

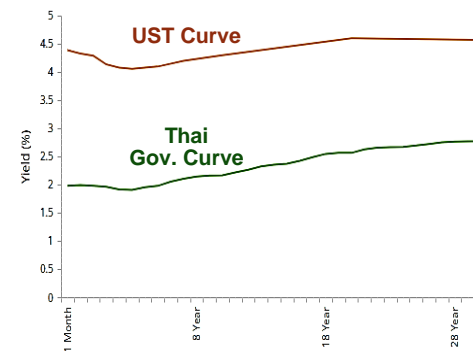
Fixed Income Market



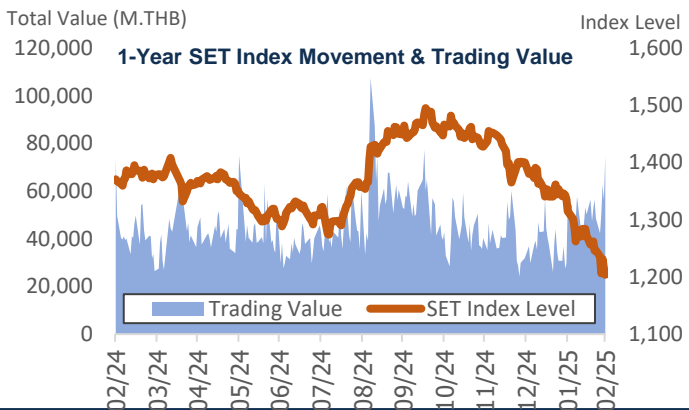
Shift in Thai Government Yield Curve Current vs Last Month vs Last 1 Year



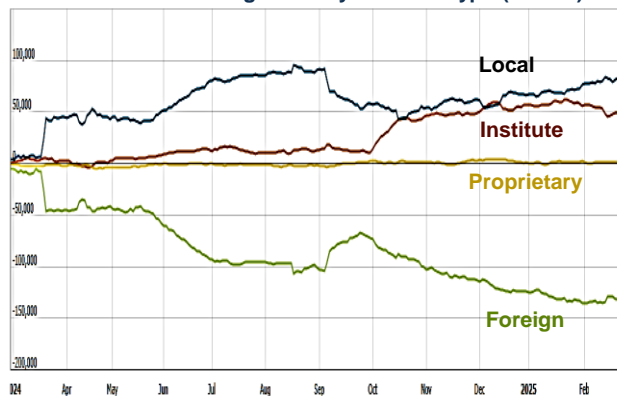
Thai Government Yield Curve versus US Treasury Yield Curve



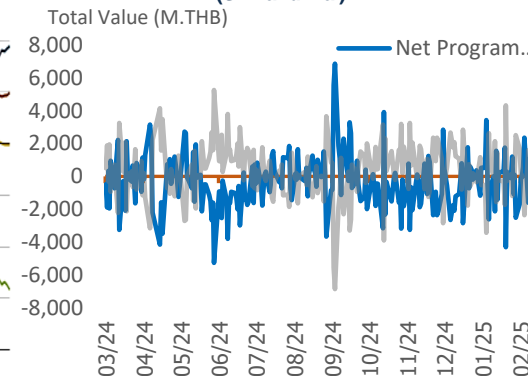
Equity Market



1 Year - SET Trading Value by Investor Type (M.TH.B)

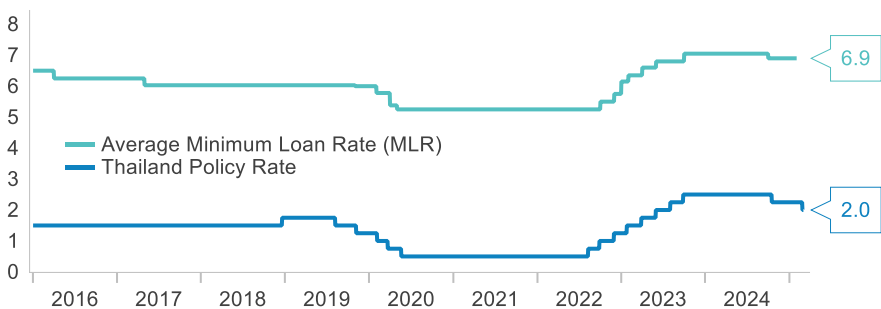


1 Year Period of Daily Program Trading Value (SET and mai)

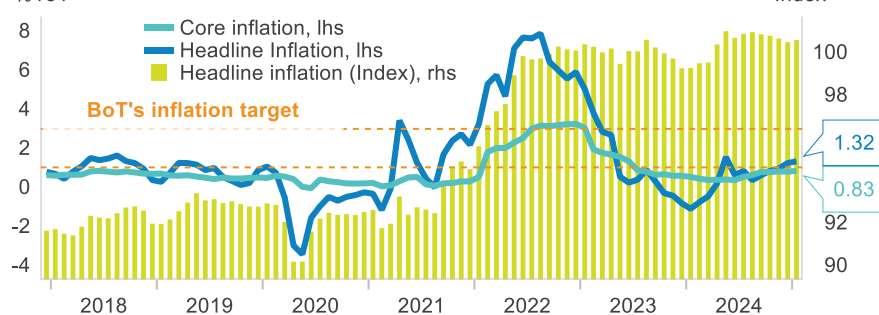


Policy Rate and Inflation

Thailand's Policy Rate and MLR

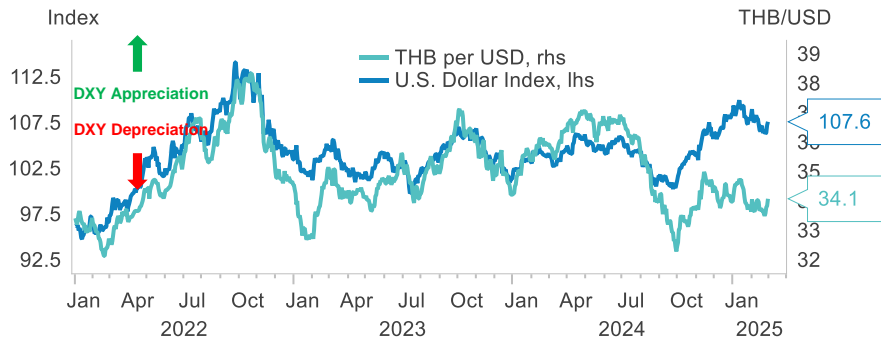


Thailand's Consumer Price Index

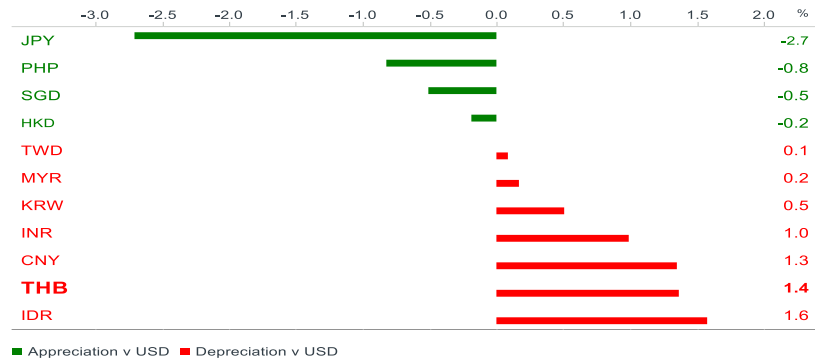


Exchange Rate

US Dollar Index and THB per USD



Asian Exchange Rate/USD (MTD)



End of Presentation

Disclaimer

ข้อมูล บทวิเคราะห์ และการแสดงความคิดเห็นต่างๆ ที่ปรากฏอยู่ในรายงานฉบับนี้ ได้จัดทำขึ้นบนพื้นฐานของแหล่งข้อมูลที่ได้รับมาจากแหล่งข้อมูลที่เชื่อถือได้ เพื่อใช้ประกอบการวิเคราะห์ภาวะเศรษฐกิจและอุตสาหกรรมซึ่งเป็นเอกสารภายในของธนาคารแลนด์ แอนด์ เฮาส์ จำกัด (มหาชน) เท่านั้น ทั้งนี้ธนาคารฯ จะไม่รับผิดชอบความเสียหายใดๆ ทั้งปวงที่เกิดขึ้นจากการนำข้อมูล บทวิเคราะห์ การคาดหมาย และความคิดเห็นต่างๆ ที่ปรากฏในรายงานฉบับนี้ไปใช้ โดยผู้ที่ประสงค์จะนำไปใช้ต้องยอมรับความเสี่ยง และความเสียหายที่อาจเกิดขึ้นเองโดยลำพัง

LH BANK BUSINESS RESEARCH



Thanapol Srithanpong, Ph.D.
Head of Business Research



Nuttachat Viroonhausava
Senior Industrial Specialist



Cheawchan Srichaiya
Senior Industrial Specialist



Watcharapan Niyom
Senior Industrial Specialist



Sri-Ampai Ingkhakitti
Senior Industrial Specialist



Taratnon Sritongterm
Senior Economist



Wilanda Disorntetiawat
Senior Economist



Nawatch Hansuvech
Senior Thematic Specialist

LH Bank Business Research

ACTIVE

INCLUSIVE

DECISIVE



Scan Here

For More Articles

<https://www.lhbank.co.th/economic-analysis/>