LH BANK

BUSINESS RESEARCH

THAI ECONOMIC AND FINANCIAL UPDATE

for September 2026

Highlight:

Thailand's economy expanded from the previous month in July 2026, primarily supported by continued strong export growth, particularly for technology and AI-related products. Domestic demand also improved, driven by stronger private consumption amid government support measures and a recovery in domestic tourism, while public spending continued to expand. In contrast, private investment declined slightly, reflecting softer investment in machinery and equipment. On the supply side, economic activity improved alongside higher manufacturing production, particularly in export-oriented industries. Meanwhile, inflation eased in line with lower global oil prices.

Private Consumption

The seasonally adjusted private consumption indicator increased from the previous month, supported by higher spending on hotels and restaurants amid government measures and long-holiday tourism. Durable goods also rose, in line with higher sales of passenger cars and pickup trucks. In contrast, spending on non-durable goods declined after accelerating in the previous month, while semi-durable goods consumption decreased in line with lower imports of textiles and apparel.

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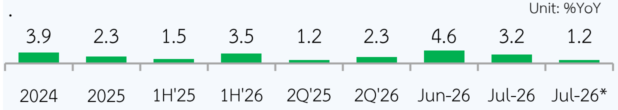
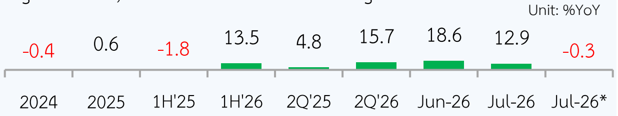


Note:*%MoM is calculated from seasonally adjusted data.

Private Investment

The seasonally adjusted private investment indicator edged down from the previous month, as capital goods imports slowed, particularly electrical and telecommunications equipment and specialized machinery. Construction was broadly stable, with continued growth in factory construction offset by declines in residential and commercial buildings. Vehicle investment increased on higher passenger car registrations, while other vehicle categories declined.



Note:*%MoM is calculated from seasonally adjusted data.

Exports

- **Thailand's exports reached USD 34.8 billion in July 2026, up 21.6%YoY and 0.4%MoM,** supported by strong shipments of computers, components, integrated circuits, and electronic parts amid continued technology and AI-related demand. Auto exports declined, mainly due to weaker pickup truck shipments, while exports expanded across most major markets except India. **In 7M2026, exports rose 18.2%YoY to USD 231.5 billion,** remaining a key growth driver, led by technology and electronics.

Market	Share (%) Jan-Jul 2026	Jan-Jul 2026		Jul-26	
		USD Mn	%YoY**	USD Mn	%YoY**
Total	**100.0**	**231,531**	**18.2**	**34,789**	**21.6**
U.S.A.	24.3	56,288	41.7	9,144	45.3
ASEAN	20.9	48,336	12.7	7,166	15.3
China	11.6	26,837	9.1	4,192	15.2
EU (28)	9.1	21,133	19.9	3,315	24.4
Japan	6.7	15,622	14.1	2,436	21.3
India	4.4	10,270	8.0	1,118	-6.5

Commodity Price & Exchange Rate	Jan-Jul 2026		Jul-26	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	80.9	14.5	76.7	10.8
Gold price (USD/troy oz)	4,605.4	47.8	4,073.0	21.9
Exchange rate (THB/USD)	32.3	-3.2	33.5	3.2
NEER index	130.5	2.2	126.9	-1.5

Farm Income

Farm income increased from a year earlier, driven by higher agricultural prices, particularly for rubber, palm oil, cassava, and white rice, amid stronger stockpiling demand on El Niño concerns. Farm output declined, mainly due to lower longan and mangosteen production from a high base last year, while palm oil output fell due to hot and dry weather condition.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	Jun-26	Jul-26	Jun-26	Jul-26	Jun-26	Jul-26
Agriculture	**7.8**	**10.0**	**10.1**	**11.7**	**-2.1**	**-1.5**
Paddy	-2.2	2.2	4.9	9.5	-4.5	-6.7
Cassava	19.8	72.5	97.8	92.2	-13.9	-10.3
Rubber	25.6	39.8	36.4	36.6	2.9	2.4
Durian	28.6	2.4	7.0	-1.8	-2.1	4.3
Palm Kernel	13.2	25.3	76.6	46.0	-30.1	-14.2

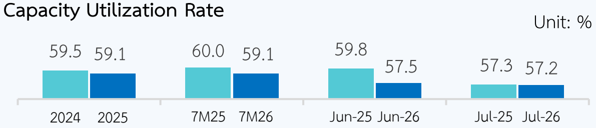
MPI and Capacity Utilization (Cap-U)

The seasonally adjusted manufacturing production index increased from the previous month, driven by higher electrical appliance production, particularly air conditioners, and increased pickup truck production. Conversely, animal feed production declined. Capacity utilization stood at 57.2%, close to a year earlier but slightly lower than the previous month, indicating a modest recovery in manufacturing activity.

MPI (%YoY)	2024	2025	Jun-26	Jul-26
Overall MPI	**-0.5**	**-0.4**	**-2.4**	**0.5**
Automotive	-16.1	0.3	-11.5	0.9
Petroleum	1.6	-4.2	-6.1	9.1
Electrical Appliances	4.1	-0.0	1.3	4.9

Note: Overall MPI is 0.8%MoM, calculated from seasonally adjusted data.

Capacity Utilization Rate



Note: MPI stands for Manufacturing Production Index

Domestic Vehicle Sales

Domestic vehicle sales reached 59,196 units in July 2026, representing a 20.1%YoY increase and a 0.8%MoM rise. This growth can be attributed to stronger sales of passenger cars and electric vehicles (EVs), occurring in a context of high fuel prices and increasing demand for fuel-efficient vehicles. However, pickup and PPV sales continued to decline, reflecting weak purchasing power among businesses, farmers, and provincial households, while lenders remained cautious toward higher-risk borrowers.

Domestic vehicle sales, 7M2026

Total Vehicle Sales

406,162 Units

+14.6%YoY

Vehicle Registration By Brand

Toyota	Honda	Isuzu	BYD	MG
32.8%	10.1%	8.9%	6.4%	4.3%

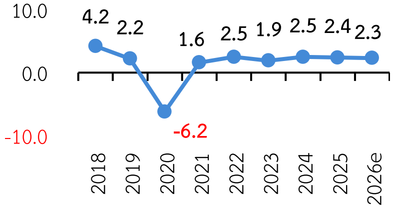
By Model

1. Toyota Yaris ATIV 10.5%
2. Toyota Hilux 10.1%
3. Isuzu D-Max 7.9%
4. Yaris Cross 5.5%
5. Honda HRV 3.8%

Domestic vehicle sales reached 406,162 units in 7M2026, representing a 15.4%YoY increase, driven by robust sales of passenger cars and EVs. However, demand for pickup trucks remained subdued due to fragile purchasing power and tight credit conditions. Toyota led the market with a 34.6% share, followed by Honda, Isuzu, BYD, and MG. The top-selling models included the Toyota Yaris ATIV, Toyota Hilux, and Isuzu D-Max.

Domestic Vehicle Sales by Body Type	Jan-Jul 2026		Jul-26	
	Unit	%YoY	Unit	%YoY
Passenger car	148,815	9.2	23,003	22.4
Commercial car	257,347	19.3	36,193	18.6
Pickup 1 ton	106,288	-1.8	14,124	-4.8
Four-Wheel Drive	134,417	47.8	19,803	47.8
Other	16,642	0.4	2,266	-0.3
Overall	406,162	15.4	59,196	20.1

Thai GDP Forecast by BOT (%YoY)



%YoY	2023	2024	2025	2026e
Private Consumption	7.1	4.4	2.7	2.6
Government Consumption	-4.6	2.5	0.6	0.2
Private Investment	3.2	-1.6	3.5	6.0
Public Investment	-4.6	4.8	8.9	3.1
Value of Merchandise Exports*	-1.5	5.9	12.7	14.0
Headline Inflation (%)	1.2	0.4	-0.1	2.8

*BOP Basis Note: 1) Data as of Jun 2026 2) e = estimate

Tourism

Thailand welcomed 2.55 million international tourists in July 2026, down 2.5%YoY, mainly due to weaker short-haul arrivals, particularly from Malaysia, Japan, and South Korea. In contrast, long-haul markets, including Europe and the Middle East, continued to expand as flight capacity gradually recovered following easing Middle East tensions. **In 7M2026, international arrivals totaled 18.4 million, down 3.1%YoY,** while tourism receipts remained broadly stable at THB 991 billion, indicating resilient tourism income despite fewer visitors.

International tourist arrivals, 7M2026

No. of Foreign Arrivals

18,419,816 Persons

-3.1%YoY

Total Revenues

990,869 THB Mn

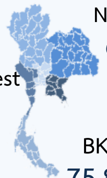
-0.2%YoY

Top 5 Nationalities Visiting Thailand

China	Malaysia	India	Russia	S.Korea
16.6%	12.8%	7.4%	6.0%	3.7%

Thailand's average hotel occupancy rate rose to 70.1% in July 2026, up from 67.3% a year earlier and 65.7% in the previous month, supported by stronger long-haul and Chinese tourism, as well as domestic travel during the long holiday period. Bangkok recorded the highest occupancy rate at 75.8%, followed by the South at 74.2% and the East at 73.1%. In 7M2026, the average occupancy rate was 71.3%, broadly unchanged from a year earlier.

Occupancy Rate, 7M2026



North 64.4%
Northeast 67.6%
Central & West 65.4%
East 73.1%
South 74.2%
BKK 75.8%

Export of Goods

For September 2026

Major products	Share	Jan-Jul 2026		Jul-26	
	Jan-Jul 2026 (%)	USD million	%YoY*	USD million	%YoY*
Total exports	100.0	231,531	18.2	34,789	21.6
Agriculture	7.5	17,315	-2.3	2,766	0.6
- Rice	1.0	2,270	-16.9	359	5.3
- Rubber	1.2	2,791	-9.4	488	33.8
- Tapioca	0.6	1,348	-28.8	143	-40.0
- Fruits	2.4	5,666	12.0	987	-4.6
- Fishery	0.4	835	-1.1	128	6.7
Agro-industrial	6.1	14,086	-3.4	2,070	-3.3
- Prepared or preserved seafood	0.9	2,116	-1.2	340	2.9
- Cane sugar and molasses	0.6	1,487	-25.6	189	-35.1
- Wheat products and other food preparations	0.7	1,673	-10.9	251	-10.1
- Beverages	0.5	1,165	-8.9	152	-6.3
Manufacturing	83.5	193,263	22.0	28,692	24.2
- Automotive	10.2	23,650	2.7	3,394	1.5
- Electronics	26.8	61,938	55.7	10,244	67.8
- Electrical appliances	9.5	22,008	15.4	3,542	30.7
- Precious stones and jewelry	7.8	18,110	13.5	1,143	-36.0
- Unwrought gold	3.9	9,075	19.1	411	-59.2
- Rubber products	4.2	9,621	4.7	1,440	8.6
- Petro-chemical products	2.3	5,353	5.8	846	16.4
- Chemicals	2.3	5,256	8.9	770	14.4
- Machinery & equipment	3.4	7,805	17.5	1,392	21.7
- Apparels & Textile	1.6	3,716	2.6	580	5.0
- Metal & steel	1.9	4,363	13.6	633	10.9
Mining & Fuel	3.0	6,868	32.0	1,261	106.8

Product	Jul-26	
	USD million	%YoY*
Automotive	3,394	1.5
- Passenger car	656	-13.3
- Pick up and trucks	958	17.4
- Motorcycle, parts and accessories	270	-6.3
- Spark-ignition reciprocating internal combustion	323	2.2
- Motor vehicle parts & accessories	053	1.8

Products	Jul-26	
	USD million	%YoY*
Electronics	10,244	67.8
- Computer parts	5,258	63.2
- HDD	1,423	88.7
- Electronic integrated circuits	1,446	35.2
- Telecommunication	1,949	160.3
- Semi-conductor devices, transistors, diodes	261	25.9

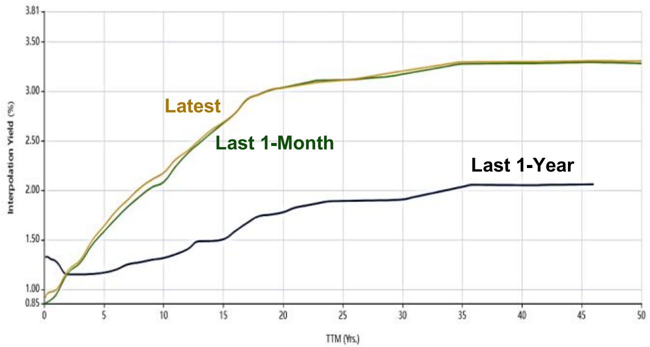
Thai Financial Market Data (1/2)

Data as of : 1 September 2026

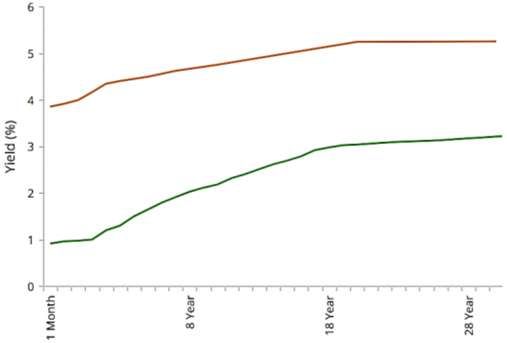
Fixed Income Market

1 Year Movement of Thai Government Bond Yield (%)

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

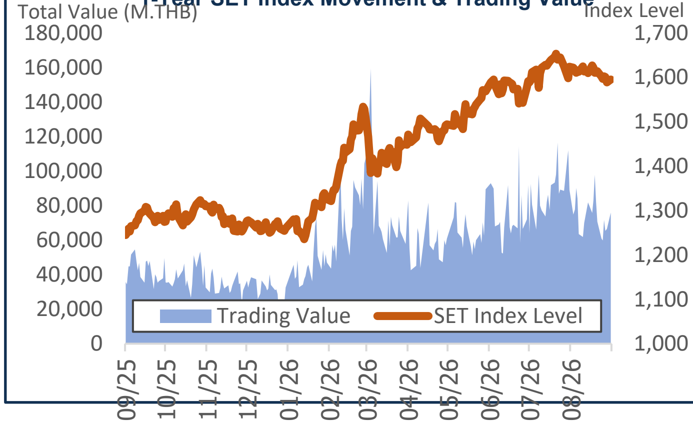


Thai Government Yield Curve versus US Treasury Yield Curve

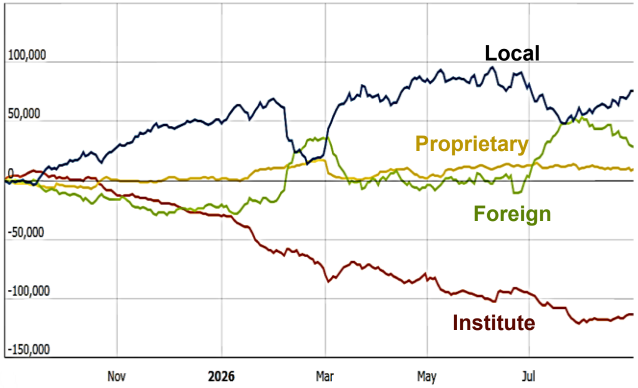


Equity Market

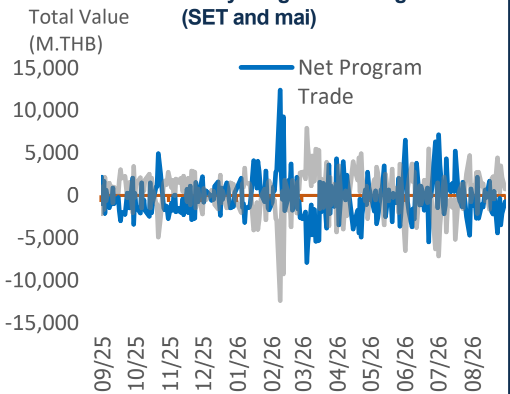
1-Year SET Index Movement & Trading Value



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



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

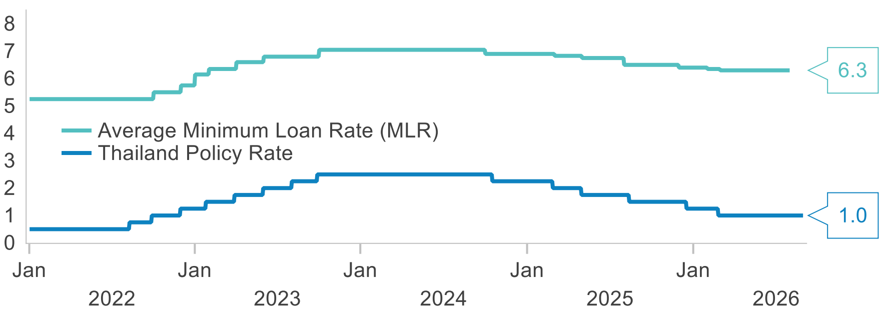


Thai Financial Market Data (2/2)

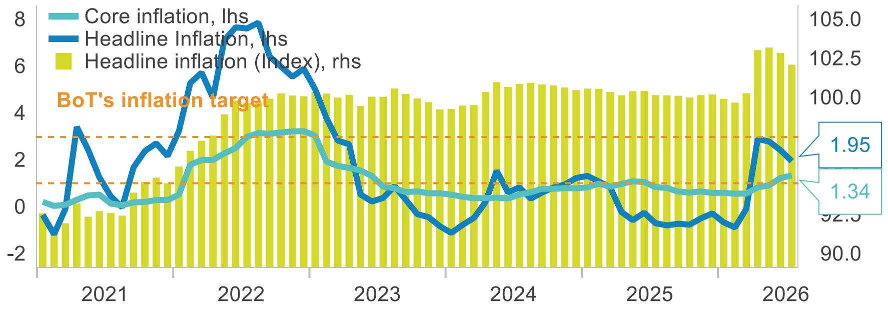
Data as of : 3 September 2026

Policy Rate and Inflation

Thailand's Policy Rate and MLR

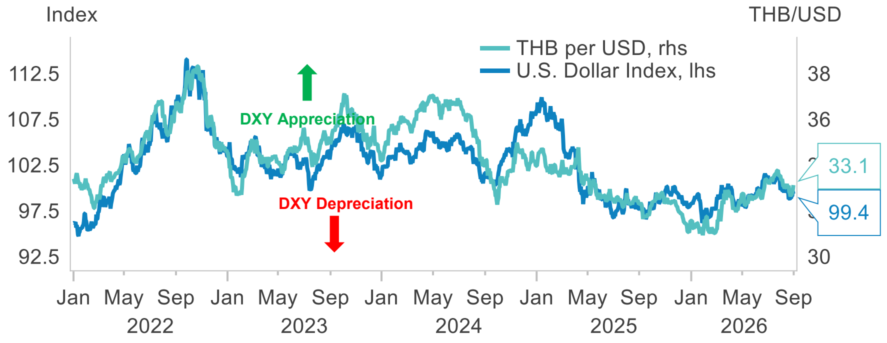


Thailand's Consumer Price Index

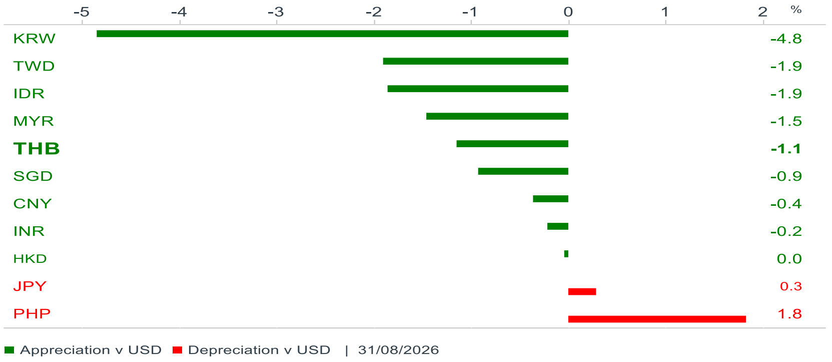


Exchange Rate

US Dollar Index and THB per USD



Asian Exchange Rate/USD (MTD)



End of Presentation

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