



THAI ECONOMIC AND FINANCIAL UPDATE

for October 2023

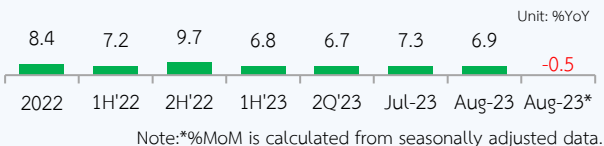
Highlight:

The Thai economy continues to recover following a surge in income from the tourism sector. In terms of domestic demand, both consumption and private investment slowed slightly from the previous month. Merchandise exports, excluding gold, declined due to lower demand from trading partners. Meanwhile, industrial production remained steady despite a decline in automobile production.



Private Consumption

Seasonally adjusted private consumption indicators fell slightly from the previous month, reflecting lower spending on both nondurable and durable goods. However, spending in the services sector increased slightly, particularly in hotels and restaurants, correlating with increased spending by both domestic and international travelers.



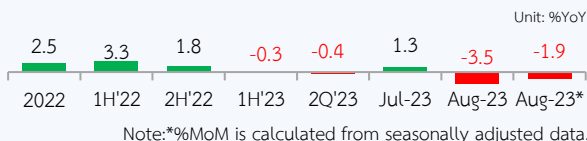
Farm Income

Farm income continued to decline due to the fall in prices of key agricultural commodities, including livestock, rubber and palm oil. However, the production of agricultural products increased mainly from a low base.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	Jul-23	Aug-23	Jul-23	Aug-23	Jul-23	Aug-23
Agriculture	-3.5	-1.0	-3.7	-3.0	0.2	2.1
Paddy	5.8	20.9	12.0	22.5	-5.5	-1.3
Rubber	-22.5	-16.8	-23.3	-17.9	1.0	1.4
Durian	-5.5	127.4	10.6	-13.0	-14.6	161.5
Palm kernel	-25.5	-27.9	-20.7	-14.9	-6.0	-15.4
Swine	-22.5	-26.2	-29.5	-33.3	9.9	10.6

Private Investment

Seasonally adjusted private investment indicators declined from the previous month due to lower investment in machinery and equipment following a slowdown in imports of mobile phones, computer equipment and trucks. Construction investment indicators increased slightly due to sales of construction materials, particularly sanitary ware and concrete piles.

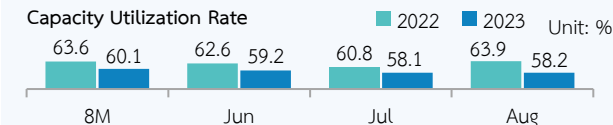


MPI and Capacity Utilization (Cap-U)

Industrial production was unchanged from the previous month. Key industries that experienced production growth include sugar, HDD, and chemical fertilizer, while production of automobiles, rubber, and semiconductors declined.

MPI (%YoY)	2022	1H23	Jul-23	Aug-23	%MoM
Overall MPI	0.4	-4.6	-4.7	-7.5	0.1*
Automotive	11.5	6.2	4.4	-12.3	-4.9
Rubbers and plastics	-1.1	-7.1	-8.7	-12.7	-3.8
Hard disk drive	-29.1	-34.0	-39.1	-32.4	7.0

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



Exports

- In August, Thai exports expanded by 2.6%YoY, marking the first growth in 11 months, due to the expansion of major export markets such as the US, China, Japan and Australia. The agricultural and processed agricultural sectors were the main drivers of export growth.
- In 8M2023, Thai exports declined by 4.5%YoY due to the weakening economies of trading partners, particularly the US, China, and EU, in line with the global economy. Notably, exports of important products such as rubber, cassava, and petrochemical products also decreased.

Market	Share (%)	Jan-Aug 2023		Aug-23	
		Jan-Aug 23	USD Mn	%YoY	USD Mn
Total	100.0	187,593	-4.5	24,280	2.6
ASEAN	23.5	44,058	-11.5	5,479	-10.3
U.S.A.	16.9	31,776	0.1	4,870	21.7
China	12.4	23,245	-3.0	2,803	1.9
EU	9.4	17,567	-2.0	2,100	-8.5
Japan	9.0	16,809	0.8	2,353	15.7
Australia	4.1	7,630	3.8	1,195	26.9

Commodity Price & Exchange Rate	Jan-Aug 2023		Aug-23	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	79.9	-22.1	86.6	-11.4
Gold price (USD/troy oz)	1,933.7	5.0	1,918.7	8.7
Exchange rate (THB/USD)	34.4	0.1	35.0	-2.3
NEER index	120.1	3.9	120.4	5.3

Domestic Vehicle Sales

In August, total vehicle sales were down 11.7%YoY due to a decline in sales of commercial vehicles in the 1-ton pickup category, the tenth consecutive month of decline. Due to declining farm income combined with high household debt, financial institutions have tightened credit and the rise in interest rates is impacting consumers' vehicle purchasing decisions. However, passenger car sales are increasing, in part due to the popularity of electric vehicles.

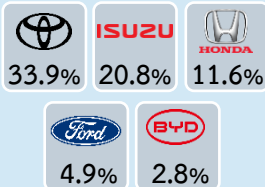
Domestic vehicle sales, 8M2023

Total Vehicle Sales



524,784 Units
-6.2%YoY

Market Share By Brand



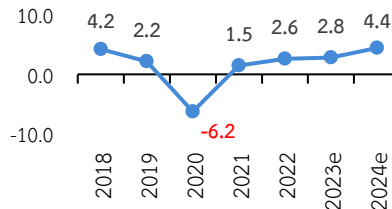
By Model

- 1 Isuzu D-Max 18.7%
- 2 Toyota Hilux 16.2%
- 3 Toyota Yaris ATIV 7.2%
- 4 Honda City 6.4%
- 5 Ford Ranger 4.1%

In 8M2023, domestic vehicle sales totaled 524,784 units, down 6.2%YoY, mainly due to lower purchases of 1-ton pickups. However, by vehicle model, the pickup segment remains the best-selling vehicle. The Isuzu D-Max holds the highest market share with 18.7%, followed by the Toyota Hilux with 16.2% and the Toyota Yaris ATIV with 7.2%.

Domestic Vehicle Sales by Body Type	Jan-Aug 2023		Aug-23	
	Unit	%YoY	Unit	%YoY
Passenger car	194,243	9.3	23,645	4.9
Commercial car	330,541	-13.4	36,589	-19.9
Pickup 1 ton	167,128	-35.4	19,561	-36.3
SUV	69,797	28.8	8,264	43.4
Other	93,616	35.8	8,764	-4.7
Overall	524,784	-6.2	60,234	-11.7

Thai GDP Forecast by BOT (%YoY)



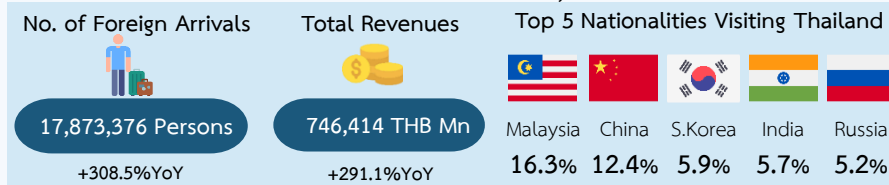
%YoY	2021	2022	2023e	2024e
Private Consumption	0.3	6.3	6.1	4.6
Government Consumption	3.2	0.2	-3.1	1.4
Private Investment	3.3	5.1	1.0	4.9
Public Investment	3.8	-4.9	1.3	4.8
Value of Merchandise Exports	18.8	5.5	-1.7	4.2
Headline Inflation (%)	1.2	6.1	1.6	2.6

Note: Data as of Sep 2023

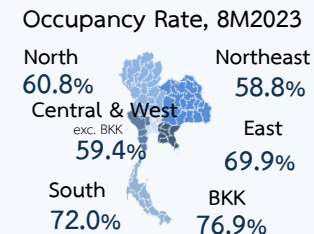
Tourism

Foreign tourists continued to grow significantly in 8M2023, driven by an influx of visitors from various countries. This reflects the sustained demand for tourism in the wake of the improved global COVID-19 situation. In particular, the growth in the number of tourists from Asian countries, with a market share of more than 50% of the total number of foreign tourists. In addition, Thai tourism benefits from the Russia-Ukraine geopolitical conflict, as Russian tourism to Thailand increases when European countries stop flying from Russia.

International tourist arrivals, 8M2023



The average hotel occupancy rate nationwide in 8M2023 was 68.2%, an improvement from the same period last year, following the increase in the number of both Thai and foreign tourists. The region with the highest occupancy rate is Bangkok, which enjoys immense popularity among foreign tourists due to its numerous fascinating tourist attractions.



Export of Goods

For Aug 2023

Major products	Share Jan-Aug 2023 (%)	Jan-Aug 23		Aug-23	
		USD million	%YoY	USD million	%YoY
Total exports	100.0	187,593	-4.5	24,280	2.6
Agriculture	9.7	18,256	-2.9	2,217	4.2
- Rice	1.6	2,950	19.2	381	10.8
- Rubber	1.2	2,341	-38.0	302	-32.9
- Tapioca	1.4	2,596	-17.1	294	-12.8
- Fruits	2.9	5,474	22.4	598	99.8
- Fishery	0.5	1,006	-8.4	128	-12.0
Agro-industrial	8.2	15,397	-4.2	1,816	-7.6
- Prepared or preserved seafood	1.2	2,277	-10.8	297	-9.7
- Cane sugar and molasses	1.5	2,882	12.1	265	-23.3
- Wheat products and other food preparations	0.8	1,593	-4.7	210	-1.2
- Beverages	0.7	1,385	2.7	139	-14.9
Manufacturing	78.2	146,714	-4.1	19,160	2.5
- Automotive	14.2	26,710	9.1	4,024	24.2
- Electronics	15.8	29,707	2.6	4,049	9.3
- Electrical appliances	10.5	19,780	-0.4	2,396	-3.1
- Precious stones and jewelry	4.9	9,121	-16.5	802	-27.1
- Unwrought gold	1.9	3,613	-37.7	229	-50.3
- Rubber products	4.8	8,958	-6.3	1,106	-4.7
- Petro-chemical products	3.2	6,035	-21.9	801	-9.9
- Chemicals	2.9	5,466	-18.8	670	-11.1
- Machinery & equipment	3.1	5,746	-3.1	792	6.4
- Apparels & Textile	2.2	4,035	-14.3	509	-12.8
- Metal & steel	2.4	4,503	-8.9	586	-4.8

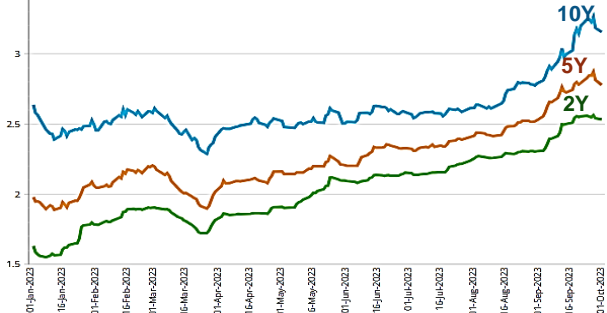
Products	Aug-23	
	USD million	%YoY
Automotive	4,024	24.2
- Passenger car	859	-7.0
- Pick up and trucks	830	21.6
- Motorcycle	257	-20.6
- Spark-ignition reciprocating internal combustion	360	13.0
- Parts & accessories	911	5.1

Products	Aug-23	
	USD million	%YoY
Electronics	4,049	9.3
- Computer parts	1,249	-26.9
- HDD	436	-48.4
- Electronic integrated circuits	1,118	39.8
- Telecommunication	506	36.9
- Semi-conductor devices, transistors, diodes	481	74.5

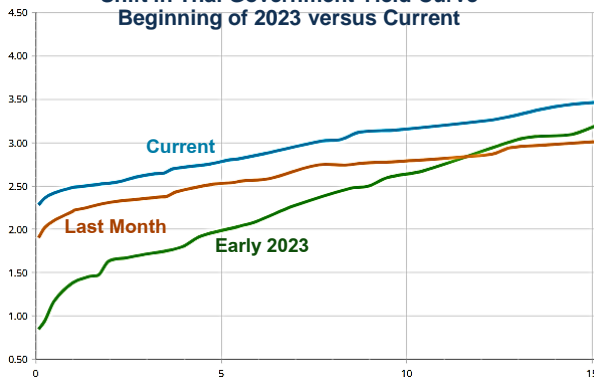
Thai Fixed Income Market

YTD 2023

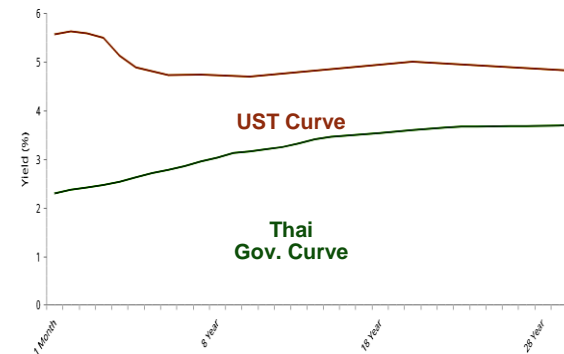
Movement of Thai Government Bond Yield



Shift in Thai Government Yield Curve Beginning of 2023 versus Current

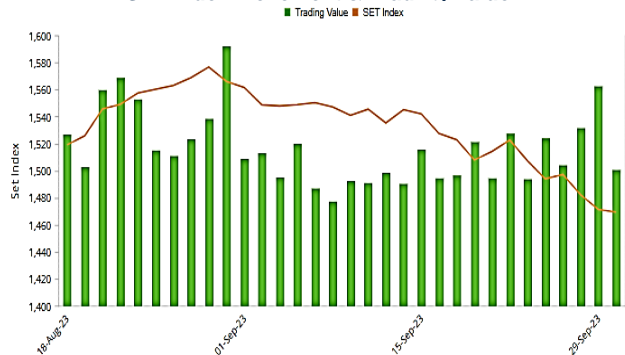


Thai Government Yield Curve versus US Treasury Yield Curve

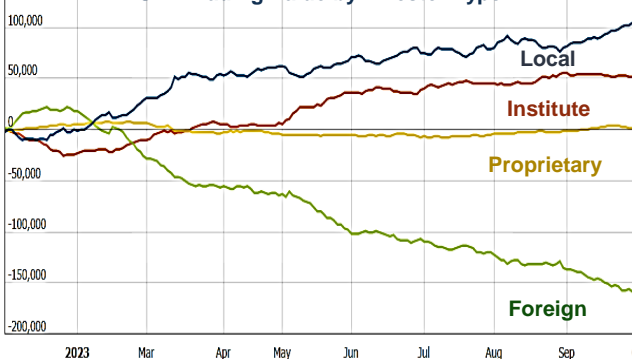


Thai Equity Market

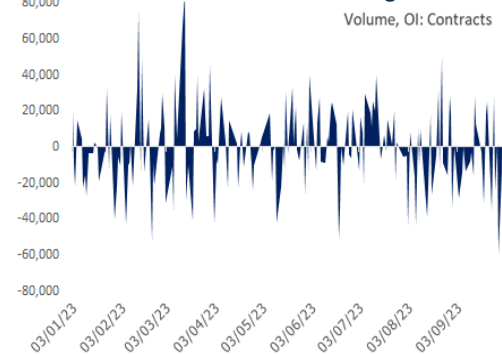
SET Index Movement & Trading Value



YTD - SET Trading Value by Investor Type



YTD - TFEX Net Volume of Foreign Investor

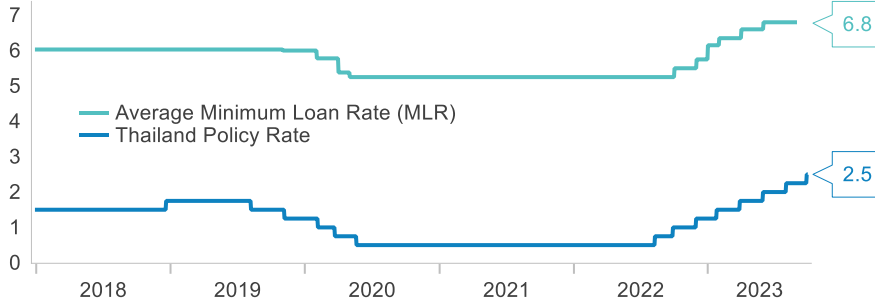


Thai Financial Market Data (2/2)

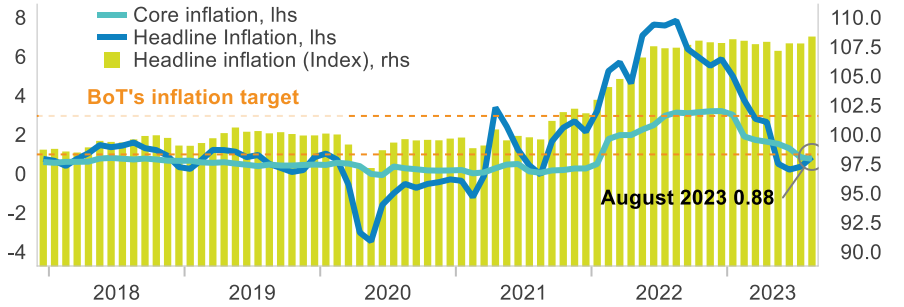
Data as of: 30 September 2023

Policy Rate and Inflation

Thailand's Policy Rate and MLR

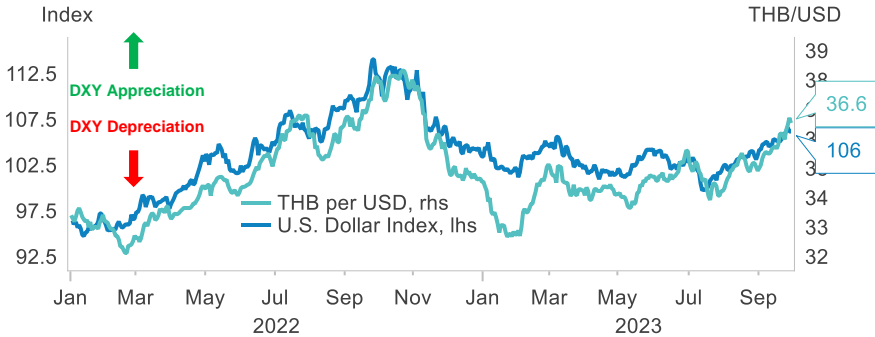


Thailand's Consumer Price Index

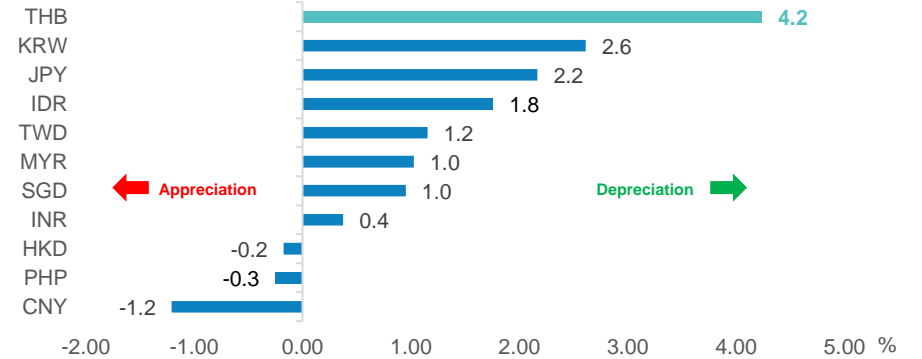


Exchange Rate

US Dollar Index and THB per USD



Asian Exchange Rate/USD (MTD)



End of Presentation

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