LH BANK

BUSINESS RESEARCH

THAI ECONOMIC AND FINANCIAL UPDATE

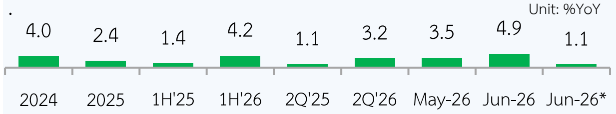
for August 2026

Highlight:

The Thai economy in June 2026 remained broadly stable from the previous month, with domestic demand improving as private consumption was supported by government measures and higher electric vehicle sales. Private investment also increased, driven by machinery, electrical equipment, and data center investment, in line with continued growth in technology-related exports. However, manufacturing production declined due to refinery maintenance and lower output of selected vehicle categories, while tourism softened as short-haul arrivals weakened and airlines reduced flight frequencies. Government spending also expanded from a year earlier, helping support overall economic activity.

Private Consumption

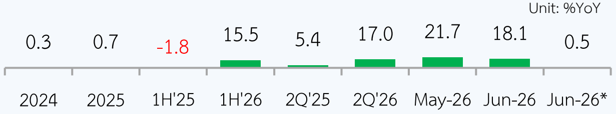
The seasonally adjusted private consumption indicator increased from the previous month, supported by spending on consumer goods, government measures, and passenger car sales, particularly electric vehicles. Semi-durable goods also improved in line with higher imports of textiles and apparel. However, services spending, especially hotels and restaurants, continued to soften in line with weaker tourism activity.



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

Private Investment

Seasonally adjusted private investment increased from the previous month, led by machinery and equipment investment, especially electrical equipment, consistent with the global electronics cycle and data center investment. Construction also improved, driven by factories and commercial buildings. However, vehicle investment declined after imports of ships and drilling platforms had accelerated in the prior month.



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

Exports

- **In June 2026, Thailand's exports amounted to USD 34,655.9 million, increasing by 20.8%YoY and 0.9%MoM.** Growth was supported by major industrial products, including computers and parts, telephones and parts, machinery, integrated circuits, as well as automobiles and parts, while agricultural and agro-industrial products continued to contract. Major export markets that expanded included the US, China, Japan, the EU, and ASEAN. **For 1H2026, exports totaled USD 196,741.8 million, up 17.6%YoY,** supported by continued momentum in industrial products and sustained demand across major markets. However, the recovery remained uneven across some categories, particularly agricultural and agro-industrial products.

Market	Share (%) Jan-May 2026	Jan-Jun 2026		Jun-26	
		USD Mn	%YoY**	USD Mn	%YoY**
Total	**100.0**	**196,742**	**17.6**	**34,656**	**20.8**
ASEAN	20.9	41,170	12.2	7,437	20.6
U.S.A.	24.0	47,145	41.1	9,107	44.3
China	11.5	22,645	8.1	3,891	4.9
EU (28)	9.1	17,818	19.1	3,066	21.4
Japan	6.7	13,186	12.9	2,386	22.7
India	4.7	9,152	10.0	1,025	-8.0

Commodity Price & Exchange Rate	Jan-Jun 2026		Jun-26	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	81.5	15.0	77.7	13.4
Gold price (USD/troy oz)	4,694.1	52.5	4,228.0	26.1
Exchange rate (THB/USD)	32.1	-4.3	32.9	0.9
NEER index	131.1	2.8	128.6	0.5

Farm Income

Farm income expanded from the same period last year, driven by higher agricultural prices, especially rubber amid concerns over the impact of El Niño, and oil palm supported by demand for biodiesel production. However, agricultural output declined due to dry spells and hot weather, indicating that the increase in farm income remained largely price-driven.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	May-26	Jun-26	May-26	Jun-26	May-26	Jun-26
Agriculture	**3.4**	**8.1**	**5.3**	**10.1**	**-1.7**	**-1.8**
Paddy	-2.2	0.2	0.3	4.9	-2.5	-4.5
Cassava	19.8	70.2	79.6	97.8	-33.3	-13.9
Rubber	25.6	40.3	19.0	36.4	5.6	2.9
Durian	28.6	4.7	18.4	7.0	8.6	-2.1
Palm Kernel	13.2	23.4	70.5	76.6	-33.6	-30.1

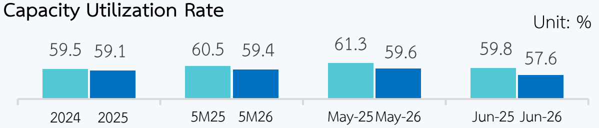
MPI and Capacity Utilization (Cap-U)

The seasonally adjusted Manufacturing Production Index declined from the previous month, mainly due to lower petroleum output amid partial refinery maintenance. Automotive production also decreased, particularly non-EV vehicles and pickup trucks, while air-conditioner output weakened in line with exports. Capacity utilization also declined, consistent with the overall slowdown in manufacturing activity.

MPI (%YoY)	2024	2025	May-26	Jun-26	%MoM
Overall MPI	**-0.5**	**-0.4**	**-1.3**	**-3.1**	**-2.4***
Automotive	-16.1	0.3	-8.3	-11.8	-8.1
Petroleum	1.6	-4.2	4.8	-8.0	-8.1
Electrical Appliances	4.1	-0.0	1.0	8.1	5.4

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

Capacity Utilization Rate



Note: MPI stands for Manufacturing Production Index

Domestic Vehicle Sales

In June 2026, domestic vehicle sales totaled 58,724 units, increasing by 17.3%YoY and 1.7%MoM. Growth was driven by passenger cars and electric vehicles, supported by new model launches, price competition, and rising demand for energy-efficient vehicles amid elevated retail fuel prices. However, pickup trucks and PPVs continued to contract, reflecting still-fragile purchasing power among businesses, farmers, and provincial households, while financial institutions remained cautious in approving loans for higher-risk borrowers.

Domestic vehicle sales, 6M2026

Total Vehicle Sales

346,966 Units

+14.6%YoY

Vehicle Registration By Brand

Toyota	Honda	Isuzu	BYD	MG
33.7%	10.8%	10.5%	6.7%	4.4%

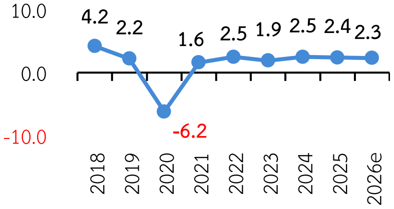
By Model

1. Toyota Yaris ATIV 10.6%
2. Toyota Hilux 10.2%
3. Isuzu D-Max 8.2%
4. Yaris Cross 5.7%
5. Honda City 4.6%

For 1H2026, domestic vehicle sales totaled 346,966 units, up 14.6%YoY, driven by passenger cars and electric vehicles, while pickup truck sales remained constrained by weak purchasing power and tight credit conditions. Toyota held the largest market share at 33.7%, followed by Honda, Isuzu, BYD, and MG. The best-selling models were Toyota Yaris ATIV, Toyota Hilux, and Isuzu D-Max, respectively.

Domestic Vehicle Sales by Body Type	Jan-Jun 2026		Jun-26	
	Unit	%YoY	Unit	%YoY
Passenger car	125,812	7.1	22,875	17.9
Commercial car	221,154	19.4	35,849	16.8
Pickup 1 ton	92,164	-1.3	14,072	-8.1
Four-Wheel Drive	114,614	47.9	19,545	52.0
Other	14,376	0.6	2,232	-11.4
Overall	346,966	14.6	58,724	17.3

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

In June 2026, Thailand recorded 1.84 million foreign tourist arrivals, down 9.9%YoY. Key markets, including Malaysia and India, slowed amid the rainy season, higher travel costs, and safety concerns. For 1H2026, foreign tourist arrivals totaled 15.87 million, contracting 3.2%YoY, while foreign tourism revenue stood at THB 855 billion, broadly stable from the previous year, indicating that tourism receipts remained resilient despite fewer arrivals.

International tourist arrivals, 6M2026

No. of Foreign Arrivals

15,874,200 Persons

-3.2%YoY

Total Revenues

854,572 THB Mn

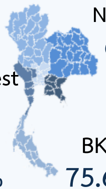
+0.1%YoY

Top 5 Nationalities Visiting Thailand

China	Malaysia	India	Russia	S.Korea
16.4%	12.9%	7.7%	6.4%	3.7%

In June 2026, the nationwide average hotel occupancy rate stood at 65.7%, down from 66.3% in the same period last year and 69.0% in the previous month, in line with slower foreign arrivals during the off-peak tourism season. Bangkok recorded the highest occupancy rate at 70.9%, followed by the eastern and southern regions. For 1H2026, the average occupancy rate was 71.5%, slightly lower than 72.0% in the previous year.

Occupancy Rate, 6M2026



North 65.1%

Northeast 67.6%

Central & West 65.5%

East 73.3%

South 74.6%

BKK 75.6%

Export of Goods

For August 2026

Major products	Share	Jan-Jun 2026		Jun-26	
	Jan-Jun 2026 (%)	USD million	%YoY*	USD million	%YoY*
Total exports	100.0	196,742	17.6	34,656	20.8
Agriculture	**7.4**	**14,549**	**-3.0**	**2,494**	**-10.8**
- Rice	1.0	1,911	-20.5	321	-17.7
- Rubber	1.2	2,302	-15.2	378	12.5
- Tapioca	0.6	1,205	-27.7	147	-48.1
- Fruits	2.4	4,679	16.3	864	-18.0
- Fishery	0.4	708	-2.4	121	-3.0
Agro-industrial	**6.1**	**12,015**	**-3.5**	**2,190**	**-0.9**
- Prepared or preserved seafood	0.9	1,776	-1.9	331	17.5
- Cane sugar and molasses	0.7	1,298	-24.2	375	32.7
- Wheat products and other food preparations	0.7	1,422	-11.0	240	-15.5
- Beverages	0.5	1,013	-9.3	168	-11.3
Manufacturing	**83.6**	**164,571**	**21.6**	**28,653**	**25.1**
- Automotive	10.3	20,257	2.9	3,379	6.1
- Electronics	26.3	51,694	53.6	10,575	66.0
- Electrical appliances	9.4	18,466	12.8	3,287	19.8
- Precious stones and jewelry	8.6	16,967	19.8	1,256	-34.1
- Unwrought gold	4.4	8,664	31.0	372	-67.6
- Rubber products	4.2	8,181	4.0	1,450	11.4
- Petro-chemical products	2.3	4,507	4.0	858	18.4
- Chemicals	2.3	4,486	8.0	861	27.8
- Machinery & equipment	3.3	6,412	16.8	1,256	22.6
- Apparels & Textile	1.6	3,136	2.1	543	5.8
- Metal & steel	1.9	3,729	14.1	625	6.7
Mining & Fuel	**2.8**	**5,607**	**22.1**	**1,319**	**67.5**

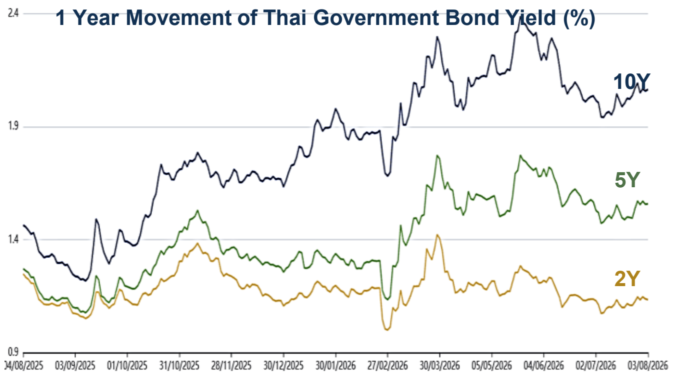
Product	Jun-26	
	USD million	%YoY*
Automotive	**3,379**	**6.1**
- Passenger car	529	-45.9
- Pick up and trucks	1,171	113.9
- Motorcycle, parts and accessories	281	0.4
- Spark-ignition reciprocating internal combustion	311	-3.3
- Motor vehicle parts & accessories	961	2.3

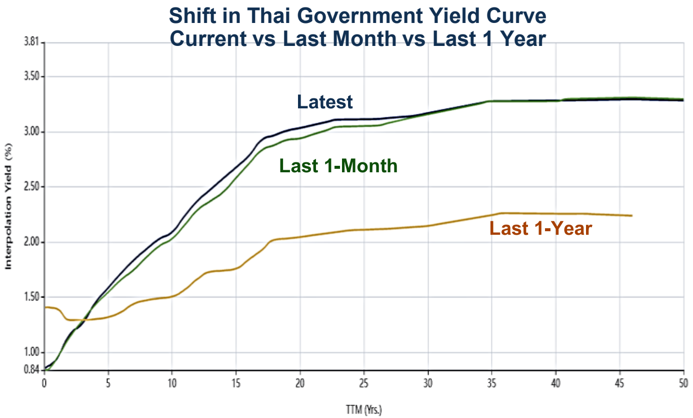
Products	Jun-26	
	USD million	%YoY*
Electronics	**10,575**	**66.0**
- Computer parts	5,688	57.4
- HDD	1,568	31.7
- Electronic integrated circuits	1,235	23.2
- Telecommunication	2,147	186.1
- Semi-conductor devices, transistors, diodes	235	27.1

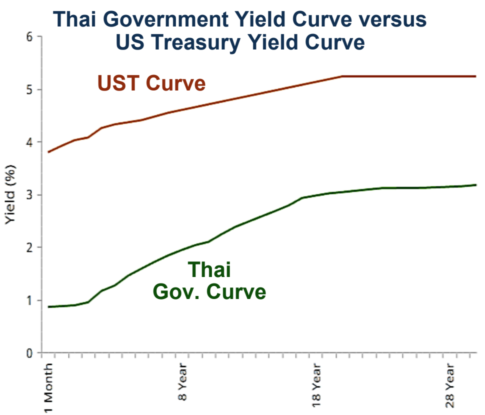
Thai Financial Market Data (1/2)

Data as of : 3 August 2026

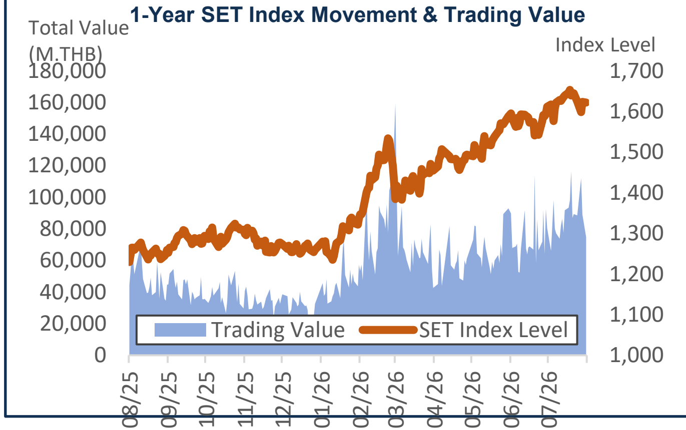
Fixed Income Market

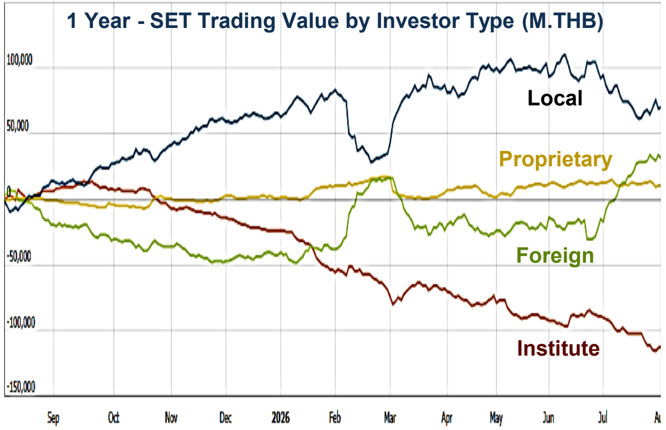


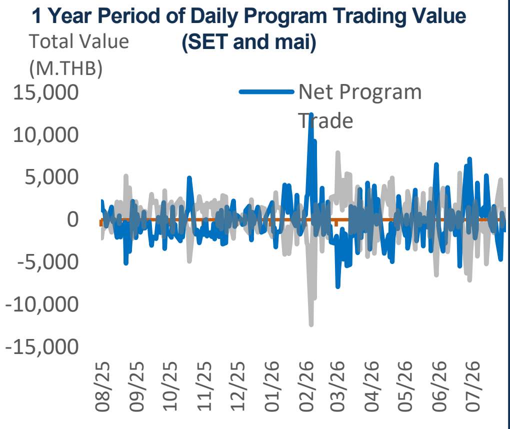




Equity Market







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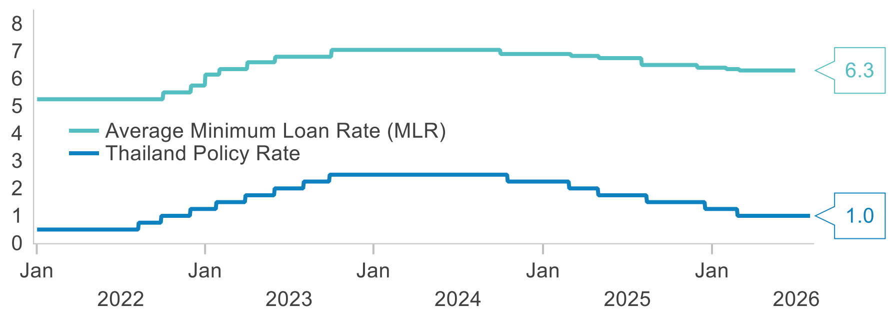
Source: LH Business Research Analysis based on data from iBond, ThaiBMA, SETSMART, SETTRADE

Thai Financial Market Data (2/2)

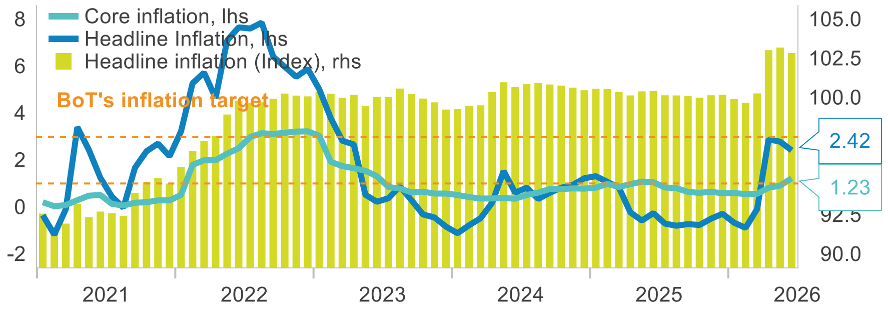
Data as of : 3 August 2026

Policy Rate and Inflation

Thailand's Policy Rate and MLR

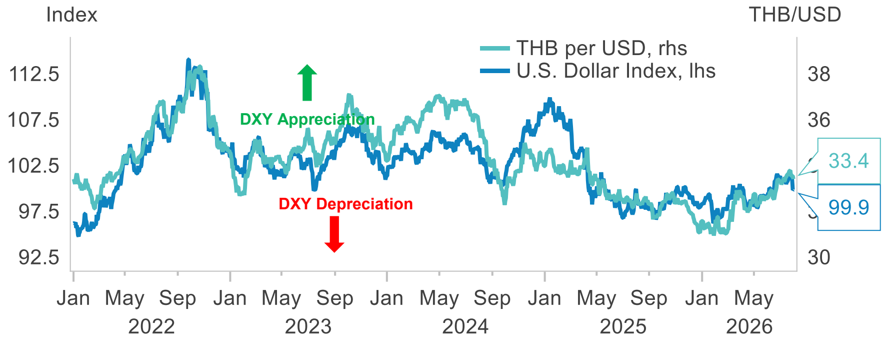


Thailand's Consumer Price Index

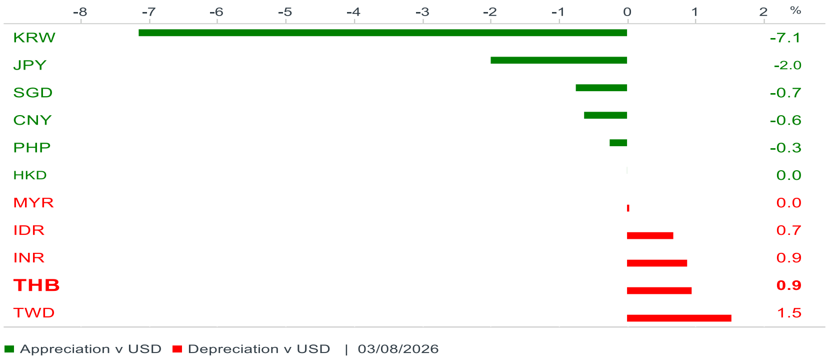


Exchange Rate

US Dollar Index and THB per USD



Asian Exchange Rate/USD (MTD)



End of Presentation

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