



THAI ECONOMIC AND FINANCIAL UPDATE

for May 2026

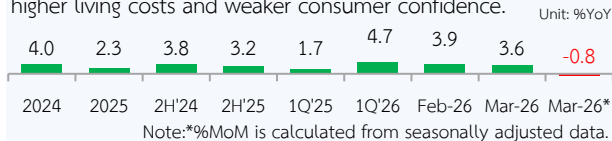
Highlight:

The Thai economy remained stable compared to the previous month, supported by a rebound in exports excluding gold, particularly electronics, electrical appliances and machinery. Manufacturing improved due to resumed refinery operations and increased automotive production, in line with stronger vehicle sales. Additionally, government spending continued to increase. However, private investment declined, especially in machinery and electrical equipment, and tourism receipts fell due to a decrease in arrivals from the Middle East, Europe, and China after the Chinese New Year boost. Private consumption weakened mainly due to lower spending on services, particularly in the hotel and restaurant.



Private Consumption

The seasonally adjusted private consumption declined from the previous month, mainly due to lower spending on services, particularly hotels and restaurants, in line with the decline in international tourist arrivals. However, non-durable goods improved on higher fuel and consumer goods sales from front-loaded purchases, while durable goods rose with passenger car sales. Overall, private consumption remained pressured by higher living costs and weaker consumer confidence.



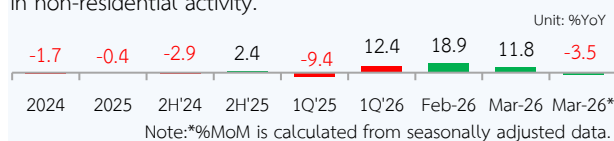
Farm Income

Farm income declined from the previous year due to continued pressure from falling agricultural prices. This was mainly due to higher output entering the market, particularly sugarcane, as harvesting was postponed from late last year to early this year, as well as increased durian production, which was supported by favorable weather conditions.

Item (%YoY)	Farm Income		Agricultural Price		Agricultural Production	
	Feb-26	Mar-26	Feb-26	Mar-26	Feb-26	Mar-26
	Agriculture	-5.3	-4.4	-10.3	-5.1	5.6
Paddy	-12.2	-6.3	-6.9	-5.2	-5.7	-1.2
Sugarcane	-10.5	-14.1	-23.1	-24.5	16.4	13.9
Rubber	-14.2	2.4	-15.8	-1.2	1.9	3.6
Durian	87.5	96.2	-6.2	-15.9	99.9	133.2
Swine	-19.7	-17.3	-19.7	-17.3	0.0	0.0

Private Investment

Seasonally adjusted private investment declined from the previous month, mainly due to lower machinery and equipment investment, particularly electrical equipment imports, despite higher domestic machinery sales. Vehicle investment continued to expand on stronger passenger car registrations, while construction investment remained stable, supported by residential construction despite a slight decline in non-residential activity.



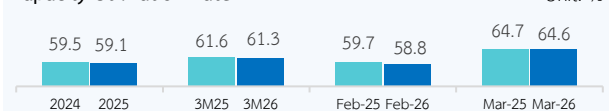
MPI and Capacity Utilization (Cap-U)

The seasonally adjusted Manufacturing Production Index increased from the previous month, supported by resumed refinery operations and an increase in car production, particularly passenger cars and pickup trucks, in line with higher car sales. However, some categories declined, such as construction materials, partly due to tight raw material supply and rising costs.

MPI (%YoY)	2024	2025	Feb-26	Mar-26	%MoM
Overall MPI	-0.5	-0.3	0.1	0.8	1.8*
Automotive	-16.1	0.3	-1.3	0.1	14.7
Rubbers and Plastics	1.4	-1.1	-1.8	-2.6	6.2
Petroleum	1.6	-4.2	-6.1	1.5	19.9

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

Capacity Utilization Rate



Note: MPI stands for Manufacturing Production Index

Exports

In March 2026, Thailand's merchandise exports amounted to USD 35,157 million, increasing by 19.4%MoM and 18.7%YoY. Export growth continued to be supported by electronics and electrical appliances, which benefited from demand related to AI and data center technologies, as well as machinery and equipment, which continued to expand. Exports to key markets, led by the US, EU, and ASEAN, remained robust, driven by computers and related equipment, while exports to China slightly contracted by 1.1%YoY. In the first quarter of 2026, exports reached USD 96,170 million, up 17.6%YoY, primarily supported by industrial products.

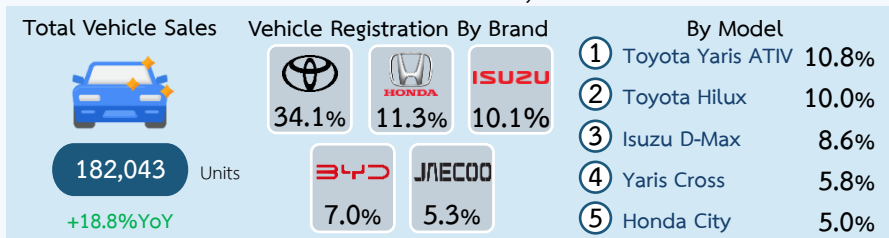
Market	Share (%) Jan-Mar 2026	Jan-Mar 2026		Mar-26	
		USD Mn	%YoY**	USD Mn	%YoY**
Total	100.0	96,170	17.6	35,157	18.7
ASEAN	20.6	19,800	10.8	7,186	13.5
U.S.A.	23.3	22,429	41.8	8,826	41.9
China	10.0	9,660	9.8	3,378	-1.1
EU (28)	9.2	8,866	19.8	3,166	20.9
Japan	6.5	6,296	7.2	2,222	9.1
India	6.2	5,958	20.4	2,598	140.6

Commodity Price & Exchange Rate	Jan-Mar 2026		Mar-26	
	Price	%YoY	Price	%YoY
Dubai oil price (USD/bbl)	74.7	-1.2	91.9	28.1
Gold price (USD/troy oz)	4,876.1	70.3	4,855.5	62.8
Exchange rate (THB/USD)	31.6	-6.9	32.3	-4.5
NEER index	132.8	4.1	130.6	2.9

Domestic Vehicle Sale

In March 2026, vehicle sales totaled 59,865 units, marking a 7.3%YoY increase and a 24.1%MoM increase. This reflected an improvement in demand for vehicles, supported by the low base from the previous month and growth in selected product segments. Sales of passenger cars rose by 7.0%YoY, while sales of commercial vehicles increased by 7.5%YoY, driven by sales of SUVs, which expanded by 19.5% YoY. This was consistent with the increase in electric vehicle registrations during the month. However, the uneven nature of the market recovery was evident in the continued contraction of pickup truck sales by 5.7% YoY, indicating that purchasing power among some consumer groups remained fragile.

Domestic vehicle sales, 3M2026

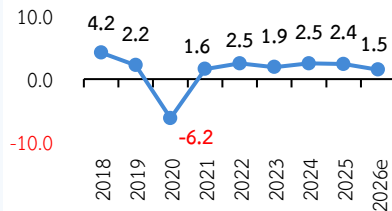


In the first three months of 2026, domestic vehicle sales totaled 182,043 units, increasing by 18.8%YoY, with growth recorded across all vehicle categories. SUVs showed particularly strong growth, expanding by 53.6%. Toyota remained the market leader with a 34.1% market share, followed by Honda, Isuzu, BYD, and JAECOO as the top five brands by registrations. By model, the Toyota Yaris ATIV continued to record the highest sales, accounting for 10.8% of total sales, followed by the Toyota Hilux and Isuzu D-Max, respectively.

Domestic Vehicle Sales by Body Type	Jan-Mar 2026		Mar-26	
	Unit	%YoY	Unit	%YoY
Passenger car	65,275	12.1	22,526	7.0
Commercial car	116,768	23.0	37,339	7.5
Pickup 1 ton	38,819	-3.9	14,136	-5.7
SUV	58,130	53.6	16,284	19.5
Other	19,819	18.4	6,919	13.1
Overall	182,043	18.8	59,865	7.3

Sources: NESDC, Toyota, FTI, and MOTs

Thai GDP Forecast by BOT (%YoY)



%YoY	2023	2024	2025	2026e
Private Consumption	7.1	4.4	2.7	1.6
Government Consumption	-4.6	2.5	0.6	0.0
Private Investment	3.2	-1.6	3.5	3.0
Public Investment	-4.6	4.8	8.9	1.5
Value of Merchandise Exports*	-1.5	5.9	12.7	8.1
Headline Inflation (%)	1.2	0.4	-0.1	2.9

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

Tourism

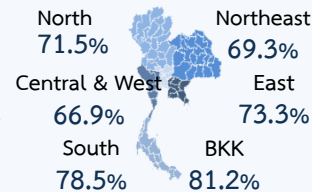
In March 2026, Thailand recorded 2.78 million international tourist arrivals, down 15.0% from the previous month. The decline was particularly notable among tourists from the Middle East and Europe due to the war in the Middle East, while Chinese tourist arrivals fell by 39.4% after a strong increase during the Chinese New Year period. Meanwhile, Malaysian tourist arrivals rebounded after the end of Ramadan, and Indian tourists continued to grow. As a result, total international arrivals in the first three months of 2026 stood at 9.32 million, contracting by 2.4%YoY, while total tourism revenue amounted to THB 475 billion, down 0.2%YoY.

International tourist arrivals, 3M2026



In March 2026, the nationwide average hotel occupancy rate stood at 70.9%, down from 71.4% in the same period last year. This was in line with a decline in foreign visitors, particularly tourists from China, Europe, and the Middle East. For the first three months of 2026, the average occupancy rate was 74.9%, broadly stable compared with the same period last year. Bangkok recorded the highest occupancy rate at 81.2%, followed by the Southern region at 78.5%, the Eastern region at 73.3%, the Northern region at 71.5% and the Northeastern region at 68.9%.

Occupancy Rate, 3M2026



Export of Goods

For May 2026

Major products	Share	Jan-Mar 26		Mar-26	
	Jan-Mar 2026 (%)	USD million	%YoY*	USD million	%YoY*
Total exports	100.0	96,170	17.6	35,157	18.7
Agriculture	6.1	5,900	-5.5	1,956	-10.7
- Rice	1.0	955	-16.7	303	-19.2
- Rubber	1.3	1,221	-22.5	417	-21.6
- Tapioca	0.7	667	-19.0	270	-17.2
- Fruits	0.9	904	32.5	230	-9.0
- Fishery	0.4	350	-0.5	122	-3.6
Agro-industrial	6.1	5,845	1.6	2,281	14.0
- Prepared or preserved seafood	0.9	849	-6.7	293	-2.0
- Cane sugar and molasses	0.6	577	-30.4	255	15.2
- Wheat products and other food preparations	0.7	714	-7.4	264	-1.6
- Beverages	0.5	490	-7.4	190	-5.9
Manufacturing	85.1	81,878	21.3	29,946	21.4
- Automotive	11.1	10,673	6.2	3,849	0.9
- Electronics	24.1	23,130	54.3	8,940	43.8
- Electrical appliances	9.7	9,374	13.8	3,370	14.3
- Precious stones and jewelry	11.7	11,265	28.5	3,966	52.0
- Unwrought gold	5.9	5,661	59.5	1,800	24.3
- Rubber products	4.1	3,951	0.4	1,461	5.8
- Petro-chemical products	2.1	1,997	-8.5	680	-13.0
- Chemicals	2.2	2,090	1.3	786	9.7
- Machinery & equipment	3.2	3,105	18.0	1,048	16.6
- Apparels & Textile	1.6	1,510	-2.6	551	0.7
- Metal & steel	2.0	1,892	21.9	720	35.9
Mining & Fuel	2.6	2,546	9.8	974	26.6

Product	Mar-26	
	USD million	%YoY*
Automotive	3,849	0.9
- Passenger car	611	-49.5
- Pick up and trucks	1,170	44.6
- Motorcycle	410	15.6
- Spark-ignition reciprocating internal combustion	334	1.7
- Parts & accessories	1,053	14.6

Products	Mar-26	
	USD million	%YoY*
Electronics	8,940	43.8
- Computer parts	4,814	34.2
- HDD	1,045	-20.2
- Electronic integrated circuits	1,012	7.8
- Telecommunication	1,658	166.6
- Semi-conductor devices, transistors, diodes	345	28.0

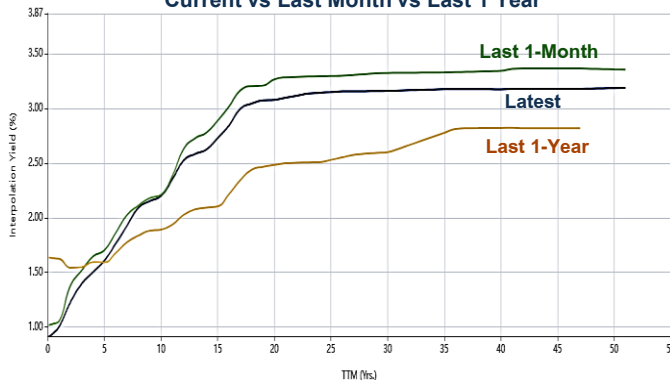
Source: MOC (*Custom Basis)

Fixed Income Market

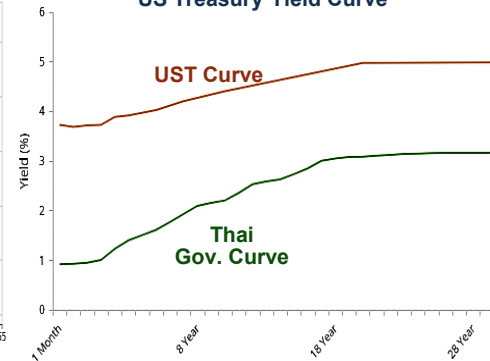
1 Year Movement of Thai Government Bond Yield (%)



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

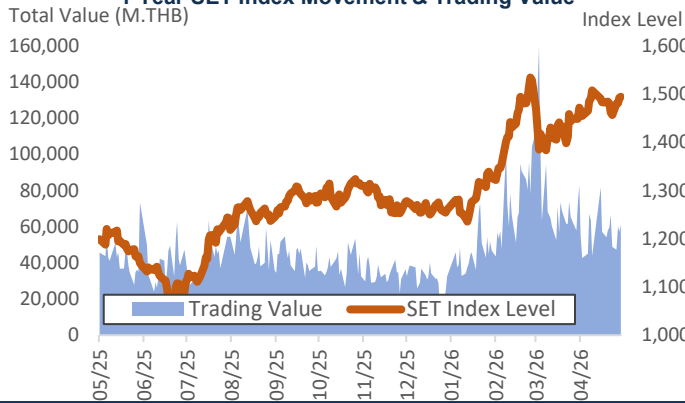


Thai Government Yield Curve versus US Treasury Yield Curve

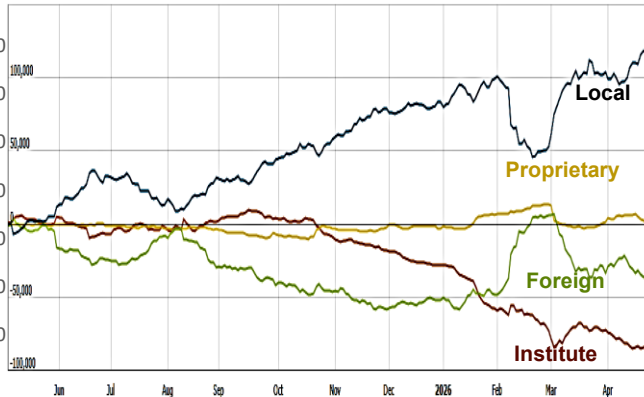


Equity Market

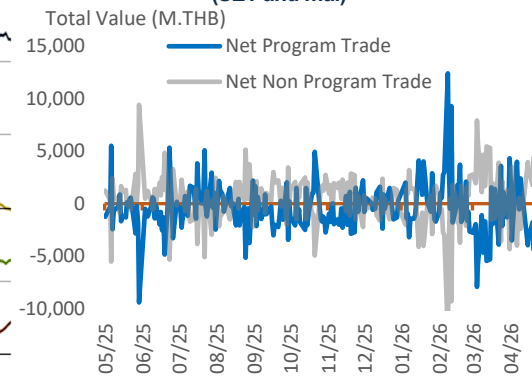
1-Year SET Index Movement & Trading Value



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



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

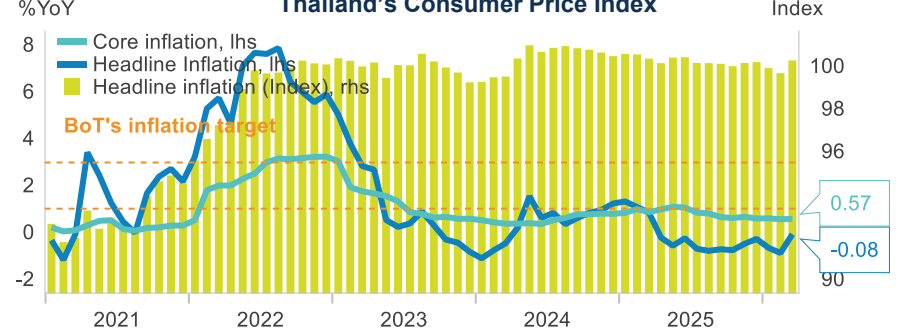


Policy Rate and Inflation

Thailand's Policy Rate and MLR

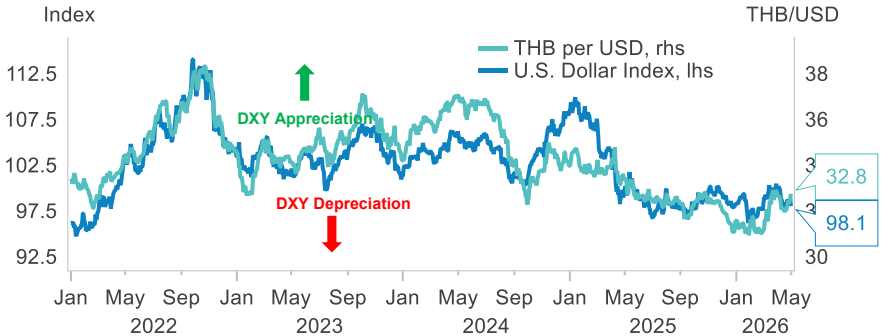


Thailand's Consumer Price Index

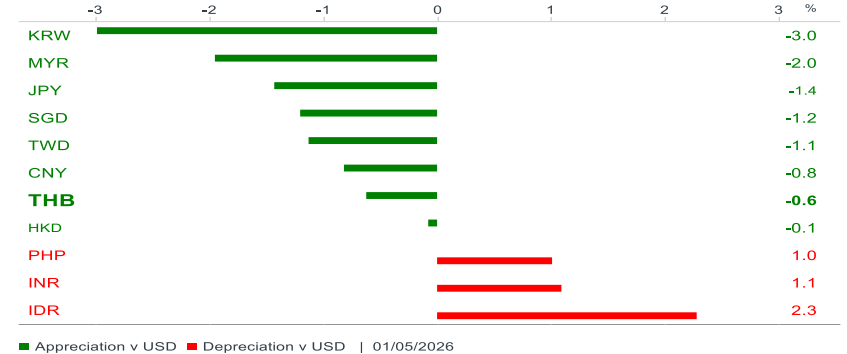


Exchange Rate

US Dollar Index and THB per USD



Asian Exchange Rate/USD (MTD)



End of Presentation

Disclaimer

The information, analysis, and opinions contained in this report have been prepared based on information obtained from reliable sources. Land and Houses Bank Public Company Limited will not be held liable for any losses incurred. It is important to note that the use of the information, analysis, forecasts, and various opinions contained in this report is at the user's own risk, and that the user must accept any loss or damage that may arise.

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



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/>