



BANK OF THAILAND

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# Economic and Monetary Conditions

## May 2020

Monetary Policy Group  
June 2020

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## 1. Executive Summary

In May 2020, the Thai economy continued to contract substantially due to external demand, both in tourism sector and merchandise exports. The former continued to extremely contract as a result of international travel restrictions. The latter further contracted from weakening trading partner demand. Consequently, domestic economic activities were affected especially private investment indicators and manufacturing production which contracted at a higher rate. Nevertheless, public spending continued to expand. Meanwhile, private consumption indicators contracted somewhat lower rate owing to the relaxation of lockdown measures and the government's COVID-19 relief measures.

On the stability front, headline inflation was more negative due to lower fresh food and core inflation. Labor market was more vulnerable. The current account was nearly balanced. The capital and financial accounts posted a surplus mainly from both the asset and the liability positions.

Details of the economic conditions are as follows:

The number of foreign tourist arrivals continued to contract extremely at 100 percent from the same period last year. There was none of foreign tourist arrivals for the second consecutive month due to the implementation of Thailand's inbound travel restrictions. As a result, businesses and labor in tourism-related sector were severely affected.

The value of merchandise exports contracted sharply by 23.6 percent from the same period last year. Excluding gold, exports value shrank to 29.0 percent. The high contraction of exports was in almost all categories and markets due to weak trading partner demand and low global crude oil prices as well as the effect from drought leading to the high contraction in exports of sugar. However, there was only an agricultural product that can expand, mainly fruits to China.

Private consumption indicators continued to contract significantly from the same period last year in all spending categories due to weakening supporting factors including employment, income, and consumer confidence. However, the contraction rate was slightly lower from the previous month due to the relaxation of COVID-19 containment measures leading some economic activities to resume operations, the government's COVID-19 relief measures, and farm income which contracted at a lower rate. Together with the high level of inventories, weakening domestic and external demand contributing manufacturing production to contract at a higher rate.

Private investment indicators continued to contract at a higher rate from the same period last year, from both investment in machinery and equipment as well as construction. This reflected that businesses delayed their investment plans as excess production capacity remained high due to weak domestic and external demand, coupled with business's concern over the economic outlook in the periods ahead that remained highly uncertain.

The value of merchandise imports contracted sharply at 34.2 percent from the same period last year. The contraction was in all categories including consumer goods, raw materials and intermediate goods, and capital goods, reflecting weak economic activities. The sharp decline in merchandise imports led to an increase in the trade balance although merchandise exports highly contracted.

Public spending continued to expand from the same period last year, reflecting a role of the government to support the economy when other economic drivers were muted. Nevertheless, excluding

transfer, public spending was flat due to the contraction in current expenditures and state enterprise's capital expenditures after highly expanding in March and April although capital expenditures of central government continued to expand.

**Overall economic stability remained sound, though more vulnerable.** Headline inflation was more negative than the previous month due to a decline in fresh food and core inflation. Labor market was more vulnerable as reflected by the continued acceleration of the number of jobless claims on the social security system. The current account became balanced, after a deficit last month, from a large surplus in the trade balance. The capital and financial accounts posted a surplus mainly from both the asset and the liability positions despite the net sell in portfolios by foreign investors.

## 2.1 Supply

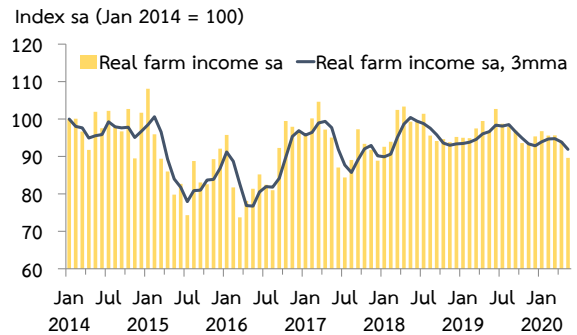
Farm income contracted at a lower rate from the same period last year, following agricultural outputs. However, agricultural prices turned into contraction after expanding continuously in the preceding period. Manufacturing production further contracted, consistent with weak domestic and external demand. Service sector continued to strongly contract as the relaxation of COVID-19 containment measures was still in the initial stage.

Nominal Farm Income

(%YoY)	2019	2019				2020		
		H1	H2	Q3	Q4	Q1	Apr	May
Nominal farm income <sup>P</sup>	1.2	1.6	1.0	3.6	-0.4	1.8	-9.1	-4.3
Agricultural production <sup>P</sup>	-0.7	0.8	-1.9	1.2	-3.8	-6.5	-12.2	-1.3
Agricultural price	1.9	0.9	2.9	2.3	3.5	8.9	3.5	-3.0

Note: Farm income does not include government subsidies and transfers. P = Preliminary data  
Source: Office of Agricultural Economics and calculated by Bank of Thailand

Real Farm Income



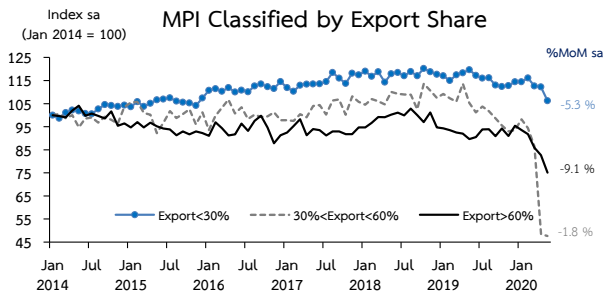
Source: Office of Agricultural Economics and calculated by Bank of Thailand

Manufacturing Production Index (MPI)

(%YoY)	Share 2016 <sup>8</sup>	2019	2019				2020			%MoM sa
			H1	H2	Q3	Q4	Q1	Apr	May <sup>P</sup>	
Food & Beverages	19.9	-0.6	-0.3	-1.0	1.2	-2.9	-11.0	-6.8	-6.2	-0.8
Automotives	13.9	-5.6	2.1	-12.9	-5.6	-20.0	-18.8	-80.7	-69.0	44.5
- Passenger Cars	4.8	-5.4	3.6	-13.6	-6.8	-20.3	-19.9	-82.9	-69.1	54.8
- Commercial Vehicles	7.2	-5.6	2.5	-13.4	-4.7	-21.6	-18.8	-83.1	-67.2	83.0
- Engine	1.3	-7.5	-4.7	-10.2	-5.8	-14.7	-14.4	-69.4	-76.7	-30.7
Petroleum	9.6	-5.7	0.2	-11.4	-7.4	-15.2	-4.4	-19.3	-16.8	7.4
Chemicals	9.2	0.2	-0.6	1.1	1.6	0.6	0.2	4.5	-2.8	-9.8
Rubbers & Plastics	8.9	-7.2	-5.6	-8.8	-9.7	-7.9	-5.4	-9.1	-21.0	-16.7
Cement & Construction	5.5	-1.2	0.2	-2.6	-3.8	-1.4	1.2	7.4	-8.3	-14.3
IC & Semiconductors	5.5	-5.8	-3.1	-8.4	-12.2	-4.1	3.6	4.9	-10.1	-13.9
Electrical Appliances	3.8	5.0	5.0	4.9	1.9	8.0	6.8	-36.4	-41.5	-7.2
Textiles & Apparels	3.5	-7.2	-4.8	-9.5	-8.9	-10.0	-4.5	-22.6	-34.4	-23.1
Hard Disk Drive	3.4	-5.3	-14.3	3.8	0.5	7.3	6.9	-9.5	-4.4	5.4
Others	16.7	-5.6	-5.6	-5.6	-6.2	-5.1	-4.4	-8.2	-23.7	-16.4
MPI	100.0	-3.6	-1.8	-5.5	-4.2	-6.8	-6.4	-18.2	-23.2	-6.0
MPI sa Δ% from last period	100.0	-	-2.7	-3.1	-1.9	-2.3	-0.7	-10.6	-6.0	-
Capacity Utilization (SA)	-	66.0	67.3	64.7	65.7	63.8	64.1	54.9	52.7	-

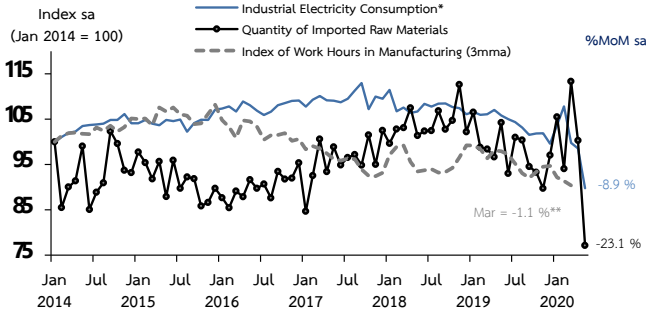
Note: the new MPI series as adjusted by the OIE (coverage and base year at 2016)  
R = 2019 Revision P = Preliminary data  
Source: Office of Industrial Economics and seasonally adjusted by Bank of Thailand  
Production index of petroleum does not include the production of diesel B10 and B20

MPI Classified by Export Share



Sources: Office of Industrial Economics, calculated by Bank of Thailand

### Other Indicators of Manufacturing Production



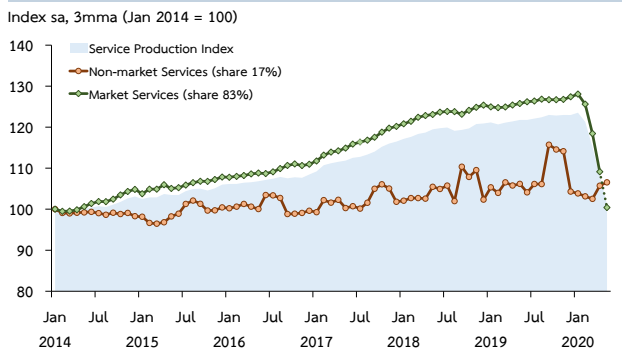
\* The latest month was estimated by the BOT  
 \*\* Index of work hours in manufacturing is not available from April to June 2020  
 Sources: NSO, OIE, Customs Department and seasonally adjusted by Bank Of Thailand

### Capacity Utilization (sa)

(%)	Share 2016 <sup>R</sup>	2019				2020		
		Q1	Q2	Q3	Q4	Q1	Apr	May <sup>P</sup>
Food & Beverages	19.9	58.6	57.9	58.4	57.9	53.5	54.3	53.1
Automotives	13.9	86.8	85.7	78.9	71.2	70.9	17.7	26.1
Petroleum	9.6	86.1	82.4	77.9	70.5	80.8	74.8	81.3
Chemicals	9.2	78.4	79.8	79.7	76.9	76.2	81.8	76.0
Rubbers & Plastics	8.9	50.5	49.3	49.7	49.5	49.3	47.4	40.9
Cement & Construction	5.5	64.6	64.5	65.3	65.6	66.2	67.9	60.2
IC & Semiconductors	5.5	73.4	70.8	68.4	71.1	79.9	77.8	68.8
Electrical Appliances	3.8	59.5	61.6	60.9	63.0	62.5	41.6	37.4
Textiles & Apparels	3.5	55.8	54.7	53.9	52.7	53.6	47.0	36.9
Hard Disk Drive	3.4	73.3	76.2	82.8	81.0	81.4	66.9	75.6
Others	16.7	57.8	57.3	56.4	57.1	55.8	54.4	45.8
CAPI sa	100.0	67.7	67.0	65.7	63.8	64.1	54.9	52.7

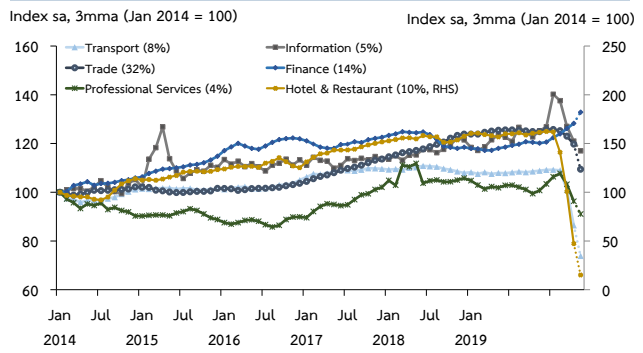
Note: the new Capacity Utilization series as adjusted by the OIE (coverage and base year at 2016)  
 R = 2019 Revision P = Preliminary data  
 Source: Office of Industrial Economics

### Service Production Index (SPI)



Note: Latest data estimated by Bank of Thailand  
 Market services covering trade, hotels and restaurants, transportation and telecommunication, financial intermediation, real estate, and business services  
 Non-market services covering public administration and defence, education, health, and social work  
 Source: Office of the National Economic and Social Development Board (NESDB), Ministry of Commerce, National Statistical Office, The Revenue Department, The Office of Industrial Economics, and Ministry of Tourism and Sports

### Service Production Index (SPI) by Sector



Note: Latest data estimated by Bank of Thailand  
 Source: Office of the National Economic and Social Development Board (NESDB), Ministry of Commerce, National Statistical Office, The Revenue Department, The Office of Industrial Economics, and Ministry of Tourism and Sports

## 2.2 Domestic Demand

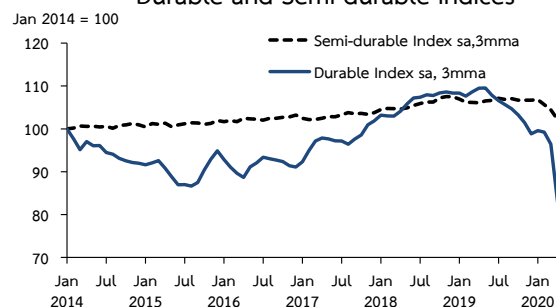
Private consumption indicators continued to contract considerably from the same period last year, albeit at a slower pace after the relaxation of COVID-19 containment measures. Private investment indicators contracted at a higher rate, consistent with weak demand. Meanwhile, public spending, excluding transfers, remained flat compared with the same period last year.

Private Consumption Indicators

%YoY	2019				2020				%MoM sa
	2019	H1	H2	Q3	Q4	Q1	Apr	May <sup>P</sup>	
Non-durables index	2.3	3.1	1.4	1.6	1.1	1.1	-11.8	-7.5	6.4
Semi-durables index	0.5	1.2	-0.1	0.7	-0.8	-1.6	-5.3	-7.2	-1.8
Durables index	-2.0	2.7	-6.2	-3.1	-8.8	-12.0	-37.5	-32.0	9.5
Services index	2.8	3.0	2.6	2.1	3.1	-10.0	-30.9	-29.7	0.9
(less) Net tourist spending	0.0	-0.3	0.2	3.2	-2.4	-41.0	-89.0	-86.8	25.6
PCI	2.5	3.5	1.6	1.3	1.9	1.6	-14.4	-12.5	3.0

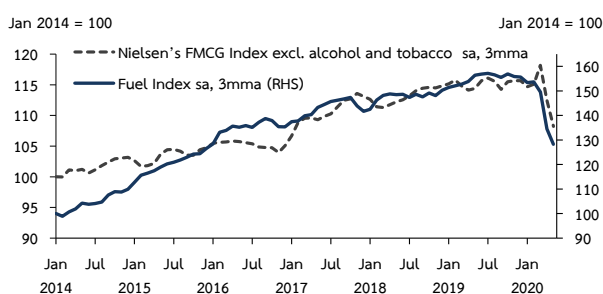
Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data  
Source: Bank of Thailand

Durable and Semi-durable Indices



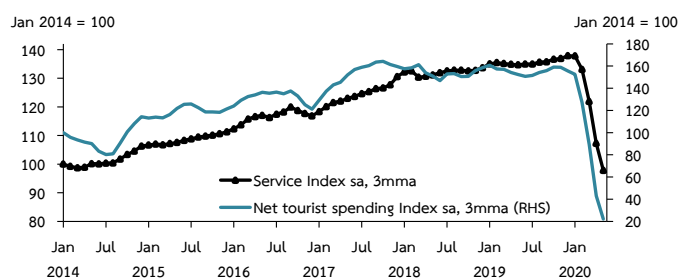
Source: Bank of Thailand

Nielsen's FMCG Index & Fuel Index



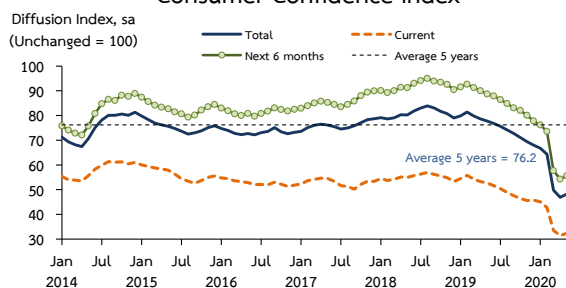
Source: The Nielsen company and Department of Energy Business, calculated by Bank of Thailand

Service Index\* & Net Tourist Spending Index\*\*



Note: \* Comprises of the VAT on hotel and restaurant sector and the sale of transportation sector  
\*\* Expenditure of non-resident in Thailand subtracted by expenditure of resident abroad  
Source: Bank of Thailand

Consumer Confidence Index

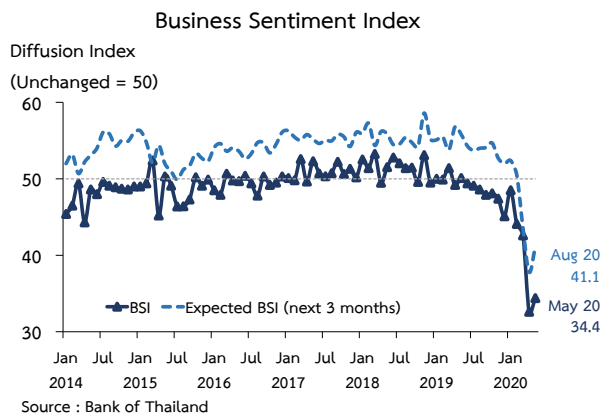
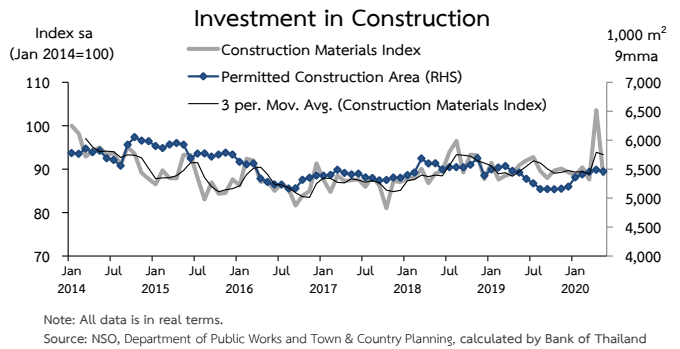
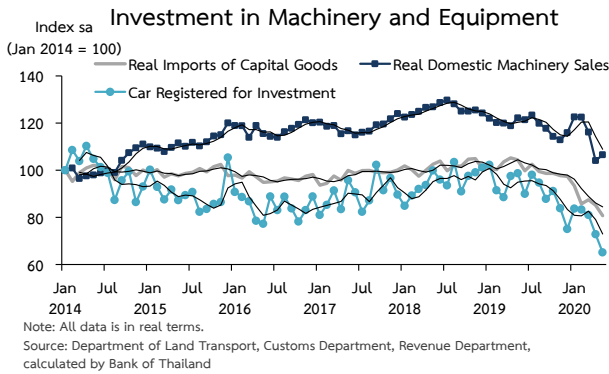


Source: The University of the Thai Chamber of Commerce, calculated by Bank of Thailand

Private Investment Indicators

% YoY	2019	2019				2020			%MoM
		H1	H2	Q3	Q4	Q1	Apr	May <sup>P</sup>	
Permitted Construction Area (9mma)	-3.9	-1.2	-6.5	-6.2	-6.9	-2.1	0.4	0.3	-0.6
Construction Materials Index	-0.6	1.4	-2.6	-3.4	-1.9	-0.3	16.4	-2.4	-14.3
Real Imports of Capital Goods	-0.9	0.1	-1.9	-0.8	-3.0	-9.2	-17.5	-28.0	-5.2
Real Domestic Machinery Sales	-5.5	-3.8	-7.2	-5.6	-8.8	0.6	-15.7	-11.8	2.4
Newly Registered Motor Vehicles for Investment	-3.0	2.4	-8.7	-2.5	-15.4	-11.7	-25.4	-34.7	-10.6
Private Investment Index	-2.7	-1.2	-4.0	-2.6	-5.2	-6.4	-10.0	-12.5	-2.2

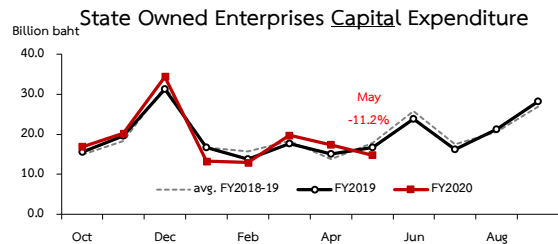
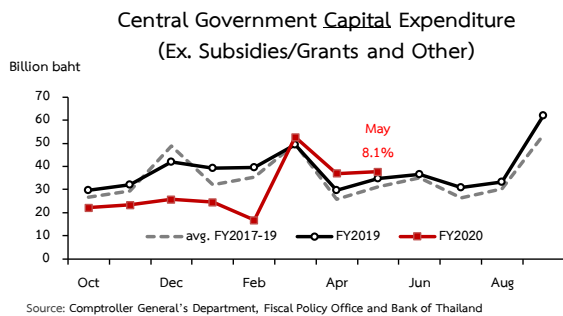
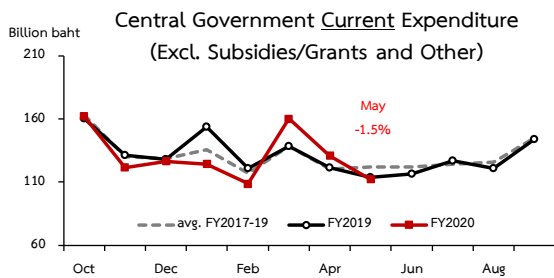
Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data  
Source: Bank of Thailand



### Fiscal Position (Cash basis)

Billion baht	FY2018	FY2019	FY2019				FY2020				
			Q1	Q2	Q3	Q4	Q1	Q2	Mar	Apr	May
Revenue	2,513	2,540	615	551	777	597	648	537	173	154	132
(%YoY)	(6.8)	(1.1)	(12.8)	(2.3)	(2.5)	(-11.1)	(5.4)	(-2.5)	(0.0)	(-18.8)	(-35.9)
Expenditure <sup>1/</sup>	2,882	2,975	924	719	654	679	796	758	356	337	189
(%YoY)	(3.1)	(3.2)	(-2.2)	(19.9)	(-10.5)	(11.9)	(-13.9)	(5.4)	(58.0)	(28.5)	(15.4)
Budgetary B/L	-368	-435	-309	-168	124	-81	-148	-221	-182	-183	-57
Non-Budgetary B/L	-28	125	-28	-21	123	52	-125	-15	-23	-17	-124
Cash B/L (CG)	-396	-310	-337	-190	247	-30	-273	-236	-205	-201	-181
Primary balance <sup>2/</sup>	-258	-159	-274	-178	313	-20	-207	-227	-200	-198	-178
Net Financing	506	190	84	99	-38	45	76	111	54	162	294
Treasury B/L	633	513	380	289	497	513	316	191	191	152	266

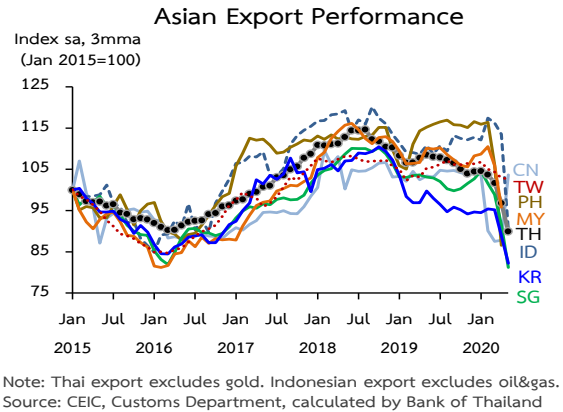
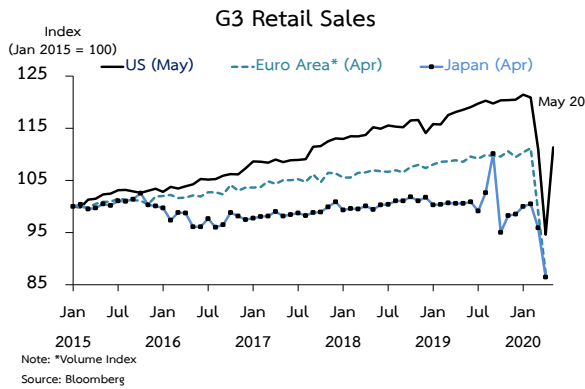
Note: P = Preliminary data 1/ Includes cash payments for operating and purchase of non-financial assets, except loan repayments 2/ Excludes loan principal and interest payment





## 2.3 The Global Economy and External Sector

The current account was nearly balanced after a deficit last month. The capital and financial accounts posted a surplus both from the asset and the liability positions.



Apr 2020 = 17.9 Bn USD      **Export Value**      May 2020 = 15.9 Bn USD  
Ex. gold = 15.4 Bn USD      Ex. gold = 14.6 Bn USD

%YoY	Share 2019	2019 <sup>P</sup>	2019 <sup>P</sup>				2020 <sup>P</sup>			
			H1	H2	Q3	Q4	Q1	Apr	May	May (%MoM)
Agriculture	6.8	-8.4	-3.6	-13.4	-8.9	-17.8	-10.5	3.3	24.4	10.1
Fishery	0.8	-6.5	-12.0	-1.2	-2.8	0.4	-6.7	1.5	-21.6	-15.4
Manufacturing	87.8	-3.9	-3.5	-4.2	-4.9	-3.4	-3.0	-12.0	-31.7	-16.5
Agro-manufacturing	12.8	0.2	-2.2	2.7	-0.1	5.4	3.3	3.3	-11.5	-7.2
Electronics	14.1	-6.7	-10.4	-3.0	-6.7	0.7	5.3	3.3	-17.0	-14.1
Electrical Appliances	5.5	1.0	-1.4	3.9	2.7	5.2	5.9	-19.8	-28.2	-5.6
Automotive	15.1	-3.1	-3.2	-3.1	-0.5	-5.8	-7.2	-48.9	-57.2	-15.9
Machinery & Equipment	8.4	-6.2	-4.8	-7.5	-6.9	-8.1	-8.9	-11.5	-34.0	-19.6
Petroleum Related	11.4	-15.1	-10.5	-19.4	-18.0	-20.8	-9.9	-28.7	-31.4	-4.0
<b>Total (BOP Basis)</b>	<b>100.0</b>	<b>-3.3</b>	<b>-4.0</b>	<b>-2.7</b>	<b>-0.3</b>	<b>-5.2</b>	<b>1.4</b>	<b>-3.3</b>	<b>-23.6</b>	<b>-16.4</b>
Ex. Gold		-5.0	-4.9	-5.0	-5.0	-5.0	-3.2	-15.9	-29.0	-11.2
Ex. Gold & Petroleum Related		-3.4	-4.0	-2.7	-3.0	-2.5	-2.3	-13.9	-28.7	-12.1

%MoM calculated from seasonally adjusted data. P = Preliminary data.  
Note: Data above are recorded by custom basis, except total export value which is recorded by BOP basis. Custom basis considers recording as goods pass through Customs, while BOP basis considers changes in ownership between residents and non-residents.  
Source: Compiled from Customs Department's data

Apr 2020 = 15.3 Bn USD      **Import Value**      May 2020 = 12.7 Bn USD  
Ex.Gold = 15.3 Bn USD      Ex.Gold = 12.6 Bn USD

%YoY	Share 2019	2019 <sup>P</sup>	2019 <sup>P</sup>				2020 <sup>P</sup>			
			H1	H2	Q3	Q4	Q1	Apr	May	May (%MoM)
Consumer	11.2	3.0	1.4	4.6	9.5	0.1	-1.6	-17.7	-22.2	-0.7
Raw material & Intermediate	54.6	-7.2	-3.3	-10.9	-7.7	-14.1	-0.1	-11.6	-37.3	-20.4
o/w Fuel	14.7	-12.4	-1.3	-22.1	-14.1	-29.8	4.9	-28.0	-72.5	-52.5
o/w Raw mat & Intern ex. Fuel	39.9	-5.1	-4.1	-6.2	-5.1	-7.2	-2.1	-5.5	-21.5	-11.1
Capital	23.5	-2.2	-7.1	2.9	3.9	2.0	-4.1	-17.7	-27.5	-2.1
Others	10.7	-5.6	6.5	-15.7	-29.3	3.8	-6.4	-46.1	-48.3	-16.4
<b>Total (BOP Basis)</b>	<b>100.0</b>	<b>-5.6</b>	<b>-3.5</b>	<b>-7.6</b>	<b>-7.2</b>	<b>-8.0</b>	<b>-1.0</b>	<b>-17.0</b>	<b>-34.2</b>	<b>-13.3</b>
Ex. Gold		-4.1	-2.3	-5.9	-3.0	-8.7	-1.6	-13.8	-32.9	-13.5
Ex.Gold&Fuel		-2.3	-2.5	-2.0	-0.4	-3.7	-3.0	-10.9	-23.0	-7.2

%MoM calculated from seasonally adjusted data. P = Preliminary data.  
Note: 1/ Data above are recorded by custom basis, except total import value which is recorded by BOP basis. Custom basis considers recording as goods pass through Customs, while BOP basis considers changes in ownership between residents and non-residents.  
Source: Compiled from Customs Department's data

Net Financial Flows

Millions of USD	2019 <sup>P</sup>	2019 <sup>P</sup>				2020 <sup>P</sup>			
		H1	H2	Q3	Q4	Q1	Apr	May <sup>E</sup>	YTD
<b>1. Assets</b>	-17,762	-9,348	-8,414	-219	-8,194	-2,845	7,602	-1,781	6,538
TDI	-14,920	-8,256	-6,664	-3,909	-2,755	-6,410	1,649	-1,578	-6,340
- Equity	-4,583	-3,176	-1,408	-389	-1,018	-1,781	-179	-2,547	-4,508
- Reinvestment of earnings	-1,051	-752	-299	-207	-92	-312	-126	-126	-564
Thai portfolio investment	-8,060	-1,873	-6,188	-2,622	-3,566	52	891	-20	923
- Equity security investment	-2,542	-121	-2,420	-788	-1,632	389	-374	-504	-489
- Debt security investment	-5,519	-1,751	-3,767	-1,834	-1,934	-337	1,265	484	1,412
Loans	822	1,237	-415	728	-1,143	-703	-971	184	-1,490
Other investments	4,396	-457	4,853	5,584	-731	4,217	6,033	3,195	13,445
- Trade credits	-832	-590	-242	-264	22	531	1,718	1,088	3,338
- Deposits abroad	-435	-3,702	3,267	4,905	-1,637	2,845	3,575	1,739	8,159
<b>2. Liabilities</b>	2,757	1,703	1,049	-723	1,572	-4,059	-1,098	507	-4,651
FDI	6,130	2,744	3,386	4,425	-1,040	3,642	735	530	4,907
- Equity	3,143	775	2,368	2,529	-161	1,332	445	329	2,106
- Reinvestment of earnings	3,682	2,629	1,053	87	966	1,974	267	267	2,509
Foreign portfolio investment	-946	1,287	-2,233	-3,685	1,452	-7,281	-2,118	-1,187	-10,586
- Equity security investment	56	840	-784	-1,117	333	-3,651	-1,407	-987	-6,045
- Debt security investment	-1,002	447	-1,449	-2,568	1,119	-3,630	-711	-200	-4,541
Loans	1,852	-1,064	2,916	801	2,115	725	1,176	1,728	3,629
Other investments	-4,280	-1,260	-3,020	-2,464	-556	-1,144	-893	-564	-2,601
- Trade credits	-1,701	-623	-1,078	-1,313	236	-135	289	-278	-124
- Deposits abroad	945	838	107	-101	208	664	-426	-282	-43
<b>Total financial flows (1+2)</b>	-15,005	-7,640	-7,365	-1,143	-6,222	-6,903	6,504	2,287	1,888

Source: Bank of Thailand P = Preliminary data E = Estimated data

Balance of Payments

Billion USD	2019 <sup>P</sup>	2019 <sup>P</sup>				2020 <sup>P</sup>			
		H1	H2	Q3	Q4	Q1	Apr	May <sup>E</sup>	YTD
Trade Balance	26.7	12.7	14.0	8.1	6.0	8.0	2.5	3.2	13.8
Exports (f.o.b.)	242.7	120.6	122.1	63.1	59.0	60.9	17.9	15.9	94.6
%YoY	-3.3	-4.0	-2.7	-0.3	-5.2	1.4	-3.3	-23.6	-4.7
Imports (f.o.b.)	216.0	107.9	108.1	55.1	53.0	52.8	15.3	12.7	80.8
%YoY	-5.6	-3.5	-7.6	-7.2	-8.0	-1.0	-17.0	-34.2	-11.3
Net Services, Income & Transfers	11.6	5.2	6.5	1.7	4.7	0.9	-3.2	-3.1	-5.4
Current Account	38.4	17.9	20.5	9.8	10.7	8.9	-0.7	0.1	8.3
Capital and Financial Account	-15.0	-7.6	-7.4	-1.1	-6.2	-6.9	6.5	2.3	1.9
<b>Overall Balance</b>	<b>13.6</b>	<b>5.6</b>	<b>8.0</b>	<b>6.8</b>	<b>1.3</b>	<b>4.5</b>	<b>6.4</b>	<b>1.1</b>	<b>12.0</b>

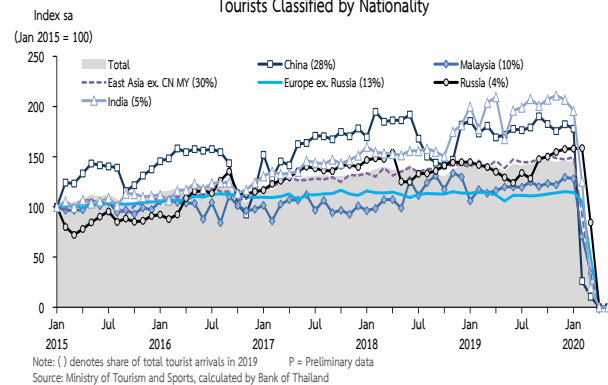
Source: Bank of Thailand P = Preliminary data E = Estimated data

Inbound Tourists by Country of Origin

%YoY (Share in 2019)	2019	2019				2020		
		H1	H2	Q3	Q4	Q1	Apr	May <sup>P</sup>
China (27.6%)	4.4	-4.7	16.1	17.3	14.7	-60.0	-100.0	-100.0
Malaysia (10.5%)	3.3	8.7	-0.9	-0.6	-1.2	-32.4	-100.0	-100.0
Asia ex. China & Malaysia (30.4%)	6.1	6.3	5.8	6.4	5.3	-35.5	-100.0	-100.0
Russia (3.7%)	0.7	-3.0	5.8	-2.9	8.5	-4.6	-100.0	-100.0
Europe ex. Russia (13.2%)	-1.0	-1.3	-0.6	-2.1	0.4	-18.5	-100.0	-100.0
India (5.0%)	25.1	24.3	25.8	28.8	23.1	-41.9	-100.0	-100.0
Others (9.6%)	-0.7	-0.4	-0.9	-4.0	2.0	-36.2	-100.0	-100.0
<b>Total</b>	<b>4.2</b>	<b>1.8</b>	<b>6.8</b>	<b>7.2</b>	<b>6.4</b>	<b>-38.0</b>	<b>-100.0</b>	<b>-100.0</b>
(million persons)	(39.8)	(19.8)	(20.0)	(9.7)	(10.3)	(6.7)	(0.0)	(0.0)

Source: Ministry of Tourism and Sports

Tourists Classified by Nationality



## 2.4 Monetary and Financial Conditions

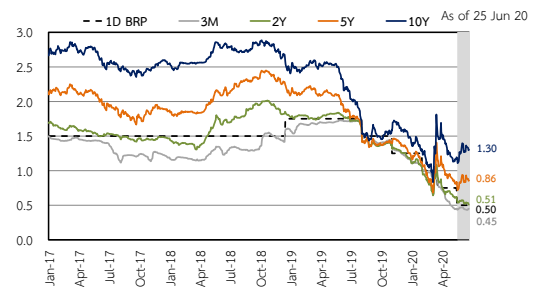
Total corporate financing decreased compared with the previous month from debt securities. New loans extended to private sector expanded from the previous month, but at a slower pace, from corporate loans. The monthly average of Thai baht against the U.S. dollar in May 2020 and the NEER appreciated compared with the previous month.

Commercial Bank Interest Rates\*

% p.a.	2018	Q1/19	Q2/19	Q3/19	Q4/19	May 20	25 Jun 20
<b>12-month deposit rate</b>							
Average of 5 largest Thai banks**	1.37	1.42	1.46	1.45	1.33	0.54	0.49
Average of other Thai banks	1.46	1.48	1.48	1.54	1.51	1.13	1.00
Average of foreign branches and subsidiary	1.11	1.19	1.19	1.17	1.11	0.66	0.60
<b>MLR</b>							
Average of 5 largest Thai banks	6.28	6.28	6.28	6.28	6.08	5.36	5.36
Average of other Thai banks	7.31	7.31	7.31	7.31	7.31	6.75	6.71
Average of foreign branches and subsidiary	7.58	7.58	7.58	7.58	7.59	6.91	6.91
<b>MRR</b>							
Average of 5 largest Thai banks	7.19	7.19	7.19	6.94	6.89	6.00	6.00
Average of other Thai banks	8.46	8.47	8.50	8.35	8.31	7.22	7.12
Average of foreign branches and subsidiary	8.54	8.54	8.54	8.54	8.44	7.89	7.89

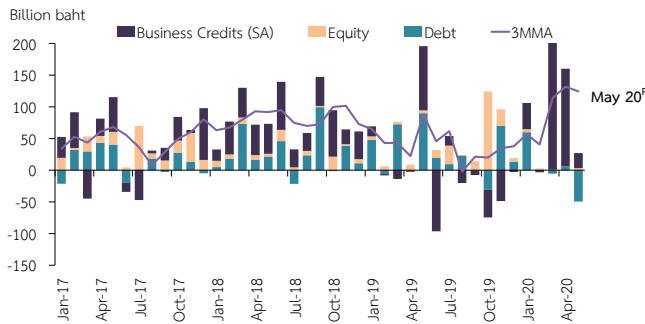
\* End of Period  
 \*\* Bangkok Bank, Krung Thai Bank, Kasikorn Bank, Siam Commercial Bank and Bank of Ayudhya  
 Source: Bank of Thailand

Government Bond Yields



Sources: Bank of Thailand and ThaiBMA

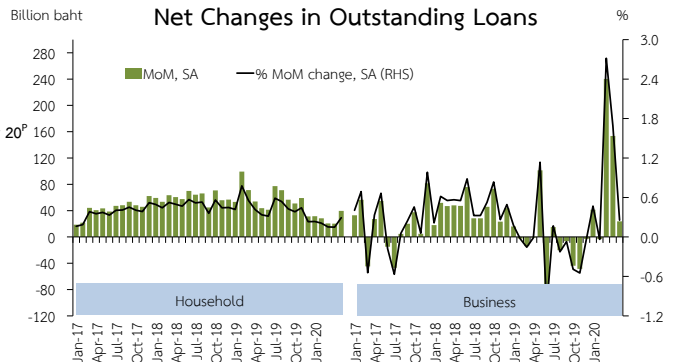
Changes in Total Corporate Financing



Note: (1) Business credits : net changes in outstanding loans extended by other depository corporations, other financial corporations, non-residents and others;  
 (2) Debt : net changes in outstanding bonds (market value);  
 (3) Equity : new issuance at par value

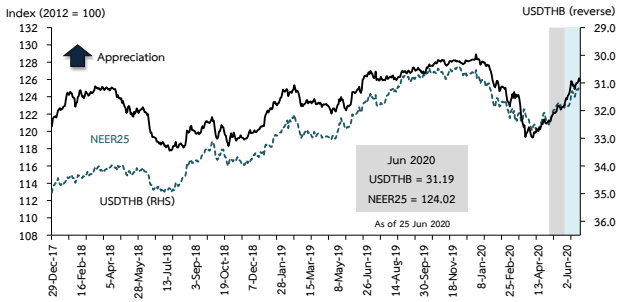
Sources: Bank of Thailand, ThaiBMA, SET

Net Changes in Outstanding Loans



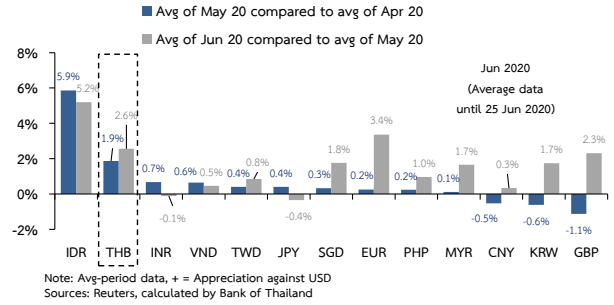
Note: net changes in outstanding loans extended by other depository corporations, other financial corporations, non-residents and others.

### Exchange Rates

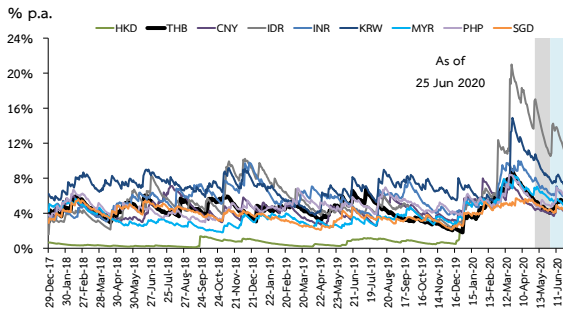


Note: Monthly average rate  
Sources: Reuters, calculated by Bank of Thailand

### Exchange Rate Movement



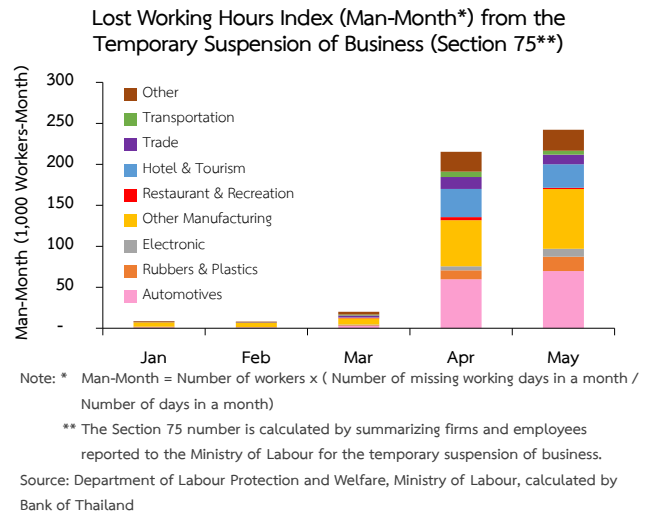
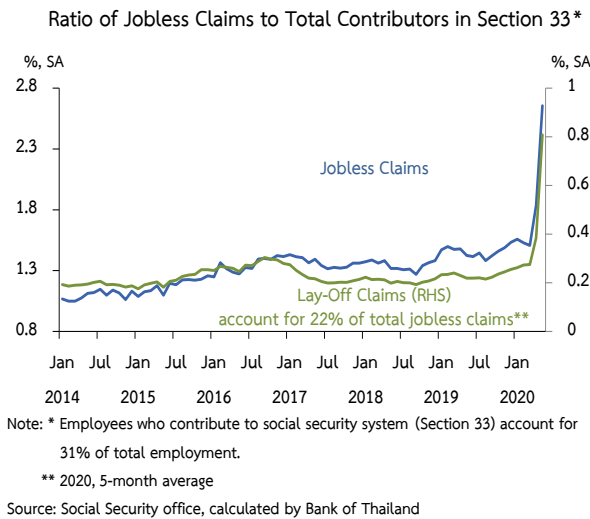
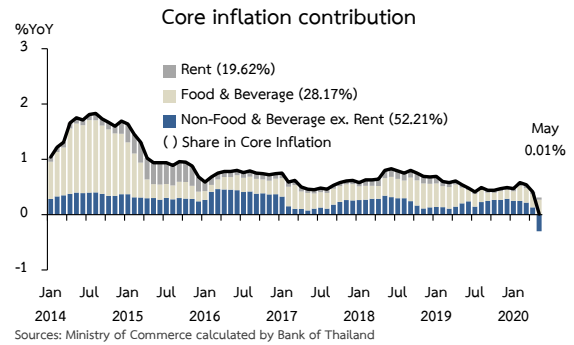
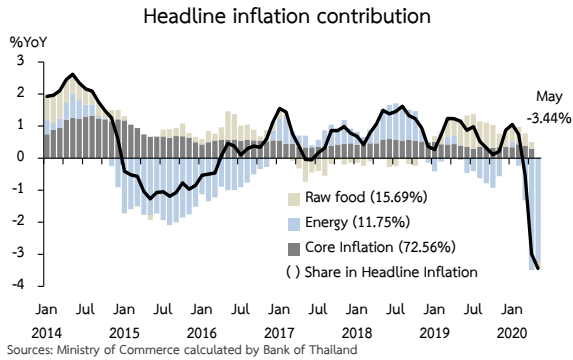
### Regional Exchange Rate Volatility



Sources: Reuters, Bank of Thailand

## 2.5 Financial stability

Headline inflation was more negative stemming from the decline in fresh food prices and core inflation. Labor market was more vulnerable. External stability remained resilient, providing sufficient cushion against global financial market volatility.



External Debt Outstanding

Billion USD	2019 <sup>P</sup>	2019 <sup>P</sup>				2020 <sup>P</sup>			Change May20- Apr20
		H1	H2	Q3	Q4	Q1	Apr	May <sup>E</sup>	
1. General government	34.2	33.0	34.2	34.0	34.2	29.7	30.0	30.2	0.2
2. Central Bank*	3.8	5.6	3.8	4.1	3.8	2.5	2.5	2.5	0.0
3. Other Depository Corporations (ODC)	37.7	36.6	37.7	36.4	37.7	38.7	38.7	39.4	0.8
4. Other Sectors	95.7	91.5	95.7	92.7	95.7	94.5	95.5	96.6	1.1
- Other Financial Corporations (OFC)	19.8	17.0	19.8	18.7	19.8	19.7	19.5	19.8	0.3
- Non Financial Corporations (NFC)	75.9	74.5	75.9	74.0	75.9	74.8	75.9	76.8	0.8
O/W Foreign Trade Credit	23.6	24.9	23.6	23.4	23.6	23.2	23.5	23.2	-0.3
<b>5. Total</b>	<b>171.4</b>	<b>166.7</b>	<b>171.4</b>	<b>167.2</b>	<b>171.4</b>	<b>165.5</b>	<b>166.6</b>	<b>168.7</b>	<b>2.1</b>
Short-term (%)	35.0	37.5	35.0	35.4	35.0	36.0	36.2	36.3	
Long-term (%)	65.0	62.5	65.0	64.6	65.0	64.0	63.8	63.7	

Note: \*Including BOT bonds held by non-residents and SDRs allocations by IMF  
Source : Bank of Thailand P=Preliminary data E=Estimated data

External Stability Indicators

	Criteria	2019 <sup>P</sup>	2019 <sup>P</sup>				2020 <sup>P</sup>		
			H1	H2	Q3	Q4	Q1	Apr	May <sup>E</sup>
<b>Solvency Indicators</b>									
Current Account / GDP (%)	> -2	7.0	6.7	7.3	7.2	7.5	6.6		
Debt / GDP (%)	< 80 <sup>3/</sup>	34.1	34.7	34.1	34.1	34.1	32.4		
Debt / XGS <sup>1/</sup> (%)	< 220 <sup>3/</sup>	53.7	53.5	53.7	52.9	53.7	51.7	52.2	53.2
Debt Service Ratio (%)	< 20	6.8	6.9	6.8	6.0	7.6	5.8		
<b>Liquidity Indicators</b>									
Gross Reserves / ST Debt	> 1 time	3.7	3.5	3.7	3.7	3.7	3.8	3.9	3.9
Gross Reserves / Imports <sup>2/</sup>	> 3 times	9.8	9.2	9.8	9.5	9.8	10.0	10.6	11.0
ST Debt / Total Debt (%)		35.0	37.5	35.0	35.4	35.0	36.0	36.2	36.3

Note: <sup>1/</sup> XGS – Export of Goods and Services (3-year average)  
<sup>2/</sup> Monthly Import of Goods and Services (1-year average)  
<sup>3/</sup> Severely indebted countries  
Source : Bank of Thailand P=Preliminary data E=Estimated data

### 3. Link to related statistics and contents

#### ■ Agricultural sector

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Agricultural prices: [Agricultural prices](#)

Agricultural production: [Agricultural products](#)

More information: Office Of Agricultural Economics [www.oae.go.th](http://www.oae.go.th)

#### ■ Manufacturing sector

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Manufacturing production: [Manufacturing production index \(MPI\)](#)

Capacity utilization rate: [Capacity utilization rate](#)

More information: Office of Industrial Economics [www.oie.go.th](http://www.oie.go.th)

#### ■ Real estate sector

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Property Indicators: [Property Indicators \(EC\\_EI\\_009\\_S2\)](#)

More information: Real Estate Information Center [www.reic.or.th/](http://www.reic.or.th/)

#### ■ Public finance

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Central government revenue: [Government revenue](#)

Central government expenditure (GFSM2001): [Government expenditure \(EC\\_PF\\_011\)](#)

Fiscal Position (GFSM2001): [Fiscal position in cash basis \(EC\\_PF\\_009\)](#)

More information: Fiscal Policy Office [www.fpo.go.th](http://www.fpo.go.th)

#### ■ Labor market

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Labor force survey: [Labor force survey \(EC\\_RL\\_009\\_S4\)](#)

Employment: [Number of employed persons classified by occupation \(EC\\_RL\\_012\)](#)

Average wage: [Average wage classified by industry \(EC\\_RL\\_014\\_S2\)](#)

More information: National Statistical Office [www.nso.go.th](http://www.nso.go.th)

## ■ Inflation

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Inflation: [Consumer price index \(CPI\)](#)

More information: Bureau of Trade and Economic Indices [www.price.moc.go.th](http://www.price.moc.go.th)

## ■ Other reports of Monetary Policy Group, Bank of Thailand

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Monthly report on Business Sentiment Index: [Business Sentiment Index](#)

Quarterly report on Business Outlook: [Business Outlook Report](#)

Quarterly report on Credit Condition: [Senior Loan Officer Survey](#)



## Contact

Agricultural sector	Sectoral Analysis Division	0 2283 6637
Manufacturing sector	Sectoral Analysis Division	0 2283 5650
Service sector	Sectoral Analysis Division	0 2356 7300
Real estate sector	Macro Surveillance Team 1-2	0 2356 7096
Private consumption	Macroeconomics Team 1-2	0 2283 5647
Private investment	Macroeconomics Team 1-2	0 2283 5639
Public finance	Public Finance Team	0 2356 7877
The global economy	International Economics Division	0 2283 5147
External sector and balance of payments	Balance of Payment Division	0 2283 6726
Monetary and financial conditions	Monetary Policy Strategy Division	0 2283 6186
Inflation	Macro Surveillance Team 1-2	0 2283 7090
Labor market	Sectoral Analysis Division	0 2283 5645
Financial Stability	Macro Surveillance Team 1-2	0 2356 7098
Financial Position	Macro Surveillance Team 1-2	0 2356 7098
External stability	Balance of Payment Division	0 2283 5636