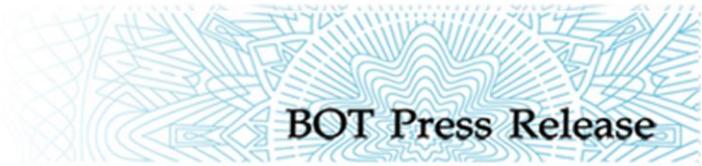




BANK OF THAILAND



BOT Press Release

Communications and Relations Office, Corporate Communications Department
Tel. +66 2283 5016-7 Fax. +66 2283 6969 www.bot.or.th

No. 95/2021

Press Release on the Economic and Monetary Conditions for November 2021

In November 2021, the Thai economy picked up from the previous month. Merchandise exports increased following the recovery of trading partners' demand while the supply disruption problems gradually subsided. Foreign tourist figures edged up after the re-opening of the country. Private domestic expenditures improved both in consumption and investment. Meanwhile, public spending continued to support the economy especially through transfer payments. Manufacturing production improved in line with the demand development.

On the economic stability front, headline inflation increased as fresh food prices were temporarily affected by floods while energy prices remained high in line with global crude oil prices. Core inflation slightly edged up. Labor market gradually improved as economic activities rebound but remained vulnerable. Current account registered a small surplus due to a lower deficit in the net service, income, and transfers while the trade balance displayed a larger surplus.

Details of the economic conditions are as follows:

The value of merchandise exports, after seasonal adjustment, increased from the previous month in almost all categories thanks to 1) the recovery of trading partners' demand, and 2) the resumption of manufacturing production after the relaxation of the containment measures which led exports to accelerate due to pending purchase orders in the preceding periods.

The number of foreign tourist arrivals, after seasonal adjustment, increased from the previous month after the government re-opened the country for foreign tourists since 1 November 2021. However, the foreign tourist figures remained low as international travel restrictions in many countries remained in place.

Private consumption indicators, after seasonal adjustment, improved from the previous month. This was due to the improvement of the COVID-19 outbreak situation, a good vaccination progress, and the gradual relaxation of the containment measures, which bolstered the overall economic activities, household income, and consumer confidence. At the same time, government measures in terms of transfer payments continued to support household spending.

Private investment indicators, after seasonal adjustment, increased from the previous month owing to investment improvement in the machinery and equipment as well as in construction. This was in line with the recovery of demand and business sentiment.

Public spending contracted compared to the same period last year from both current and capital expenditures due to the high base effect last year, resulting from expedited disbursement after the enforcement of FY2021 budget. Nevertheless, government disbursement this month was close to the average of FY2017-2019 period.

Manufacturing production, after seasonal adjustment, slightly increased from the previous month as demand recovered while the supply disruption problems such as shortages of semiconductor and constraints in logistic lessened somewhat.

The value of merchandise imports, after seasonal adjustment, decreased from the previous month due to lower imports of fuels, computers and mobile phones. Nonetheless, imports of consumer goods and imports of raw material excluding fuels increased in line with the recovery in domestic demand and manufacturing production.

On the stability front, headline inflation increased as fresh food prices were temporarily affected by floods while energy prices remained high in line with global crude oil prices. Core inflation slightly edged up. Labor market remained vulnerable but showed signs of improvement in line with the economic activities. This was reflected by a better sentiment of the self-employed group. The current account registered a small surplus due to a lower deficit in the net service, income, and transfers while the trade balance displayed a larger surplus. On exchange rates, the baht against the US dollar, on average, appreciated as a result of continued improvement of the outbreak situation in Thailand as well as the re-opening of the country to foreign tourists.

Bank of Thailand
30 December 2021

For further information, please contact: Macroeconomic Team 1-2

Tel: +66 (0) 2283 5639, +66 (0) 2283 5647

E-mail: EPD-MacroEconomicsTeam1-2@bot.or.th