



ธนาคารแห่งประเทศไทย



BLP
BUSINESS LIAISON
PROGRAM



รายงาน ภาวะและแนวโน้มธุรกิจ

**Business Sentiment and
Outlook Report**

Quarter 4 / 2025

About this Report

Recognizing the importance of real business insights from all stakeholders, the Bank of Thailand (BOT) established the Business Liaison Program (BLP) in 2004. Under this program, BOT has gathered the qualitative and in-depth information from those directly engaged in the field, as well as spanning across various regions and industries. With the information obtained, the "Business Sentiment and Outlook Report" is published on a quarterly basis on the BOT website.

Annually, BOT collects information through phone / online interviews and field visits from over 800 executives nationwide. This process aims to exchange information on current and long-term issues relevant to each participant, covering small to large businesses, as well as associations, organizations, government agencies, and financial institutions. Then the information is used by BOT staff to supplement the quantitative data for evaluating economic conditions, making our analysis more comprehensive and well-rounded, supporting Monetary Policy Committee (MPC) and other BOT policy formulations.

Note: This report assesses the views of surveyed businesses and organizations in Q4 2025. It reflects real economic activity that occurred but may not cover some economic sectors, such as agriculture. Views of surveyed businesses and organizations in this report may not necessarily align with macroeconomic indicators and forecasts and do not necessarily reflect the views of the Bank of Thailand.

National Summary

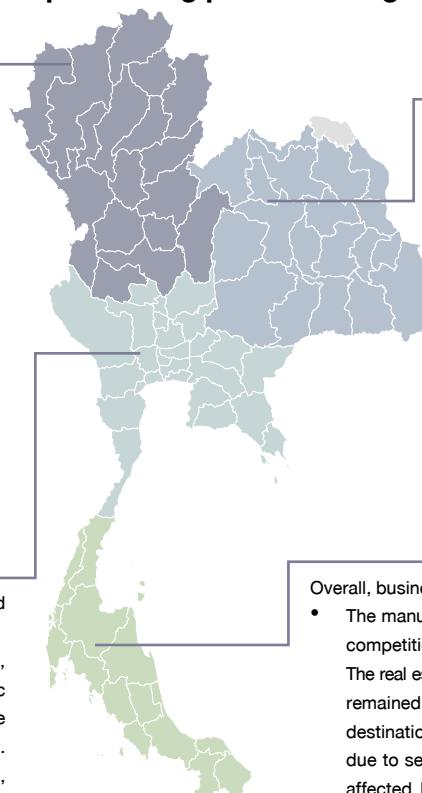
(Survey result of business sentiment across Thailand during 1 October – 31 December 2025)

Overall business conditions throughout Q4 2025 were unchanged from the same period last year. The trade sector benefited from the Half-Half Plus Co-Payment Program, while electronic component manufacturing for export expanded, following the upward cycle of the global electronics industry. However, exports were pressured by the strengthening of the Thai baht, while the real estate sector contracted amid weak purchasing power and high household debt.

Northern Region

Overall, businesses expanded slightly from the same period last year.

- The trade sector expanded, supported by government stimulus measures, while the services and tourism sectors continued to grow in line with rising numbers of domestic travelers and long-haul international tourists. In contrast, the manufacturing sector experienced a mild contraction, mainly reflecting reduced orders for processed food from trading partners, while the strengthening of the Thai baht continued to weigh on revenue and competitiveness. Even so, data center and AI-related electronic component production continued to expand. Meanwhile, the real estate sector remained weak, reflecting soft purchasing power in the low-rise housing segment.



Northeastern Region

Overall, businesses remained stable from the same period last year.

- The trade sector expanded, supported by the Half-Half Plus Co-Payment Program, which helped boost consumer spending, especially on essential goods. Manufacturing remained largely unchanged, with export-oriented production posted a slight increase, while production for domestic consumption declined. In contrast, the real estate and services sectors contracted, reflecting weak purchasing power and high household debt. In addition, the Thailand-Cambodia border situation continued to weigh on tourism confidence in the four affected provinces.

Central Region

Overall, businesses remained stable from the same period last year.

- The manufacturing sector saw a modest increase, supported by higher export production of electronic components and processed food, as well as the positive impact of the Half-Half Plus Co-Payment Program. The trade and services sectors also held steady, supported by government stimulus measures, even though foreign tourist arrivals declined. However, the real estate sector continued to contract, reflecting weaker domestic purchasing power. In addition, the strengthening of the Thai baht remained a challenge, pressuring export manufacturers and tourism-related services.

Southern Region

Overall, businesses slightly declined from the same period last year.

- The manufacturing sector contracted due to intensifying foreign competition and a decline in orders from trading partners. The real estate sector also continued to weaken. The tourism sector remained broadly stable, with revenue rising in Andaman destinations but declining sharply in the southern border areas due to severe flooding. As for the trade sector, although it was affected by the flooding, it still saw short-term support from government stimulus measures, as well as replacement demand for essential goods, vehicles, and construction materials to repair flood-damaged property.

Business outlook in Q1 2026 is expected to expand slightly from the same period last year.

Growth is expected to be driven by the electronic component manufacturing for export, which continue to benefit from the global electronics cycle and the expansion of data centers and AI-related technologies. Additionally, the services and tourism sectors are expected to grow, supported by an increase in foreign tourist arrivals in line with the rising number of scheduled flights.

Key issues to monitor:

- (1) The appreciation of the Thai baht continued to weigh on export competitiveness and influenced foreign tourists' choice of destination.
- (2) The uncertainty surrounding U.S. tariff policy, including reciprocal and transshipment tariffs.
- (3) Clarity regarding the formation of the new government and the rollout of economic stimulus measures to revive domestic purchasing power.
- (4) The Thailand-Cambodia border situation.

Impact of the severe flooding in southern Thailand



The severe flooding in southern Thailand, which affected 9 provinces between 17 November and 2 December 2025, caused extensive damage, particularly in Hat Yai District of Songkhla Province, one of the region's major commercial and tourism hubs. The floods resulted in significant losses for both households and businesses. According to the Office of Small and Medium Enterprises Promotion (OSMEP), more than 282,527 businesses across the affected provinces, most of which are SMEs, suffered damage and may require over three months to restore operations, while business confidence may take even longer to recover. The businesses most severely affected are primarily in the trade and tourism sectors. The following is a summary of the impacts and recovery in each business, based on field visits and discussions with local entrepreneurs

Note: Areas and timeline of the flood situation

- Flood-affected areas in the southern region covered 9 provinces between 17 November and 2 December 2025, namely Surat Thani, Nakhon Si Thammarat, Trang, Phatthalung, Satun, Songkhla, Pattani, Yala and Narathiwat.
- The areas experiencing severe flooding covered 2 provinces between 21 and 28 November 2025, namely Songkhla, which was declared a Level 4 severe disaster zone under the Disaster Prevention and Mitigation Act B.E. 2550 (A.D. 2007) and the National Disaster Prevention and Mitigation Plan B.E. 2564–2570 (A.D. 2021–2027), and Satun.

Business Impacts and Recovery

Trade sector

- The trade sector was severely affected, impacting local retail and wholesale businesses as well as modern-trade outlets. Hat Yai District saw the most severe impact, as sudden high flooding forced businesses to close abruptly, damaging shops and warehouses and causing an almost complete loss of revenue. In non-flooded areas, such as Mueang Songkhla and parts of the 3 southern border provinces, stores also temporarily closed for 2–4 days because workers could not travel to work. Once reopened, sales temporarily rose by 5–20% due to increased demand for essential goods and relief supplies such as rice, canned fish, baby diapers, and household cleaning products. Despite this short-term lift, many businesses faced temporary product shortages from late November to early December due to transportation disruptions.
- The automotive, construction material and home appliance trade sectors suffered significant losses, with extensive damage to showrooms, stores, and inventories. After the floods, replacement demand led to a sharp increase in purchases. Car bookings nearly doubled, although this rise is expected to be temporary, lasting only 2–3 months before easing. Sales of construction materials and home appliances also increased slightly, supported by needs for repairing homes and businesses, particularly in Hat Yai District and nearby areas.



“ The trade sector has been severely impacted as floods hit the city center, with most businesses being SMEs. Recovery will require time, funding, and confidence ”

- Recovery for retail and wholesale businesses that suffered severe damage in Hat Yai District is expected to take around 2–3 months to repair affected stores and warehouses, with some businesses expected to fully resume operations by the end of Q1 2026. Areas that were moderately affected, as well as most automotive showrooms, have already recovered and resumed normal operations.



Tourism sector

- The tourism sector, particularly in key commercial areas of Hat Yai District, suffered severe losses, both from property damage and a sharp drop in revenue due to mass cancellations of bookings and events in December, normally a peak travel period with a high inflow of Malaysian tourists. Several major events were also cancelled, including the Thai Chamber of Commerce Nationwide Seminar 2025 and SEA Games 2025 events scheduled to be held in Songkhla. Over 200 hotels in the area, along with related businesses such as travel agencies, restaurants and spas, faced heavy damage and were forced to close, resulting in a more than 50% decline in Malaysian tourist arrivals compared with the same period last year.
- **Recovery is expected to take around 1–3 months.** Businesses with sufficient capital and access to repair services are likely to recover more quickly, while most SMEs will need more time and remain unable to resume operations due to a lack of liquidity and shortages of repair workers in the affected areas. Even so, there are emerging positive signs, as Malaysian tourists continue to inquire about the city's readiness through travel agencies and hotels, with some already returning despite the city's incomplete recovery, including those visiting for the Hatyai Countdown 2026, which helped revive the local tourism atmosphere. Local businesses plan to organize reopening events during the Chinese New Year in early 2026, and tourism is expected to fully recover after Ramadan in mid-March 2026.

Real estate sector

- The real estate sector was affected both in terms of operations and consumer confidence. Construction activities in the affected areas were temporarily halted for about 1–2 weeks due to flooded sites and water-supply disruptions. On the demand side, homebuyers delayed their purchase decisions to reassess future flood risks. However, construction activities saw an increase in repair-related work as households and firms rushed to restore damaged homes and business properties.
- **Recovery in the real estate sector in Hat Yai District is expected to take up to three years**, particularly in flood-prone areas where repeated flooding has become a key factor influencing long-term homebuying decisions. In contrast, projects in non-flooded locations have seen increased customer interest, with more visits and bookings.

Manufacturing sector

- The manufacturing sector was affected only to a limited extent, as most factories were not located in areas with severe flooding. However, transportation disruptions and many workers were unable to travel to work. As a result, most factories had to temporarily suspend or reduce production for about 2–7 days.
- **Recovery in the manufacturing sector has progressed, with most businesses now resuming normal operations.** However, some factories remain heavily affected, with severe damage to machinery, vehicles, and inventories, particularly modern digital machinery, which sustained extensive damage and will take longer to restore.

Currently, businesses have gradually resumed operations and some signs of recovery are evident following the Hatyai Countdown 2026, which helped revive the city's tourism atmosphere and renewed optimism among local businesses. However, many SMEs such as grocery stores and household goods shops remain severely affected, with some forced to permanently close and lay off workers due to a lack of funds for recovery. In addition, an uncertainty over the future flood-management measures continues to weigh on business confidence. As a result, further government support is still needed to help remaining businesses move forward, summarized as follows:

Government Grants and Support Schemes Needed by Businesses

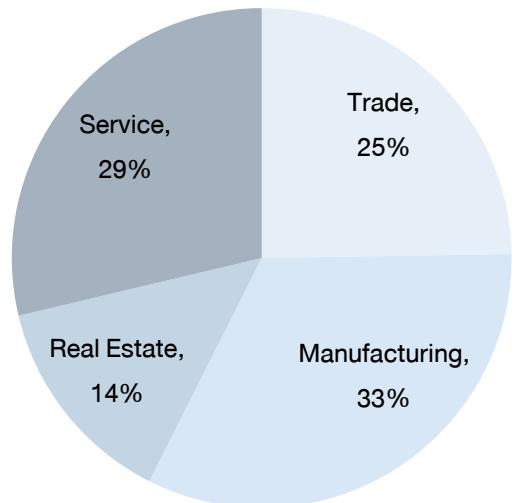
Government Support Needed by Businesses	Details
 Boosting confidence in flood management and warning systems	<ul style="list-style-type: none"> Upgrade warning systems to provide faster, clearer alerts, giving households and businesses enough time to evacuate and protect their assets. Develop concrete and sustainable flood-prevention plans, and urgently advance large-scale flood management projects to address recurring flood concerns, a key factor in restoring business confidence and encouraging firms to reinvest in recovery. Clear recovery plans are needed to restore confidence among investors and local residents.
 Reducing costs and improving liquidity	<ul style="list-style-type: none"> Financial measures such as soft loans, debt payment holiday and working-capital support for small businesses. Tax measures such as tax deductions for expenses and investment related to building repairs, machinery restoration and business recovery. Support for production inputs, including assistance in sourcing affordable tools and equipment for businesses to resume operations, as well as facilitating access to skilled repair technicians. Expedite insurance claim processes to ensure faster compensation payments, helping businesses regain liquidity for recovery.
 Revenue recovery	<ul style="list-style-type: none"> Demand stimulus measures, including the Half-Half Co-Payment Program, to support household spending in flood-affected areas. Tourism recovery measures, such as tax incentives for tourists and large-scale events to help restore consumer spending and rebuild the local tourism atmosphere.



Appendix

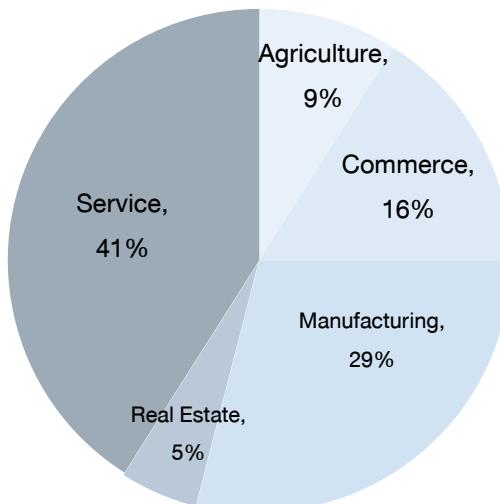
Survey result of 125 businesses
nationwide during
1 October - 31 December 2025
(Q4 2025)

Composition of businesses participated in the BLP in Q4 2025



Note: The sample emphasizes the business sector, while the views of agriculture stakeholders are partly reflected in the manufacturing sector, for example, through the agro-manufacturing sector.

Thailand's Economic Structure



Source: Office of the National Economic and Social Development Council (NESDC),
calculated by BOT



Other economic and financial data can be accessed from

Thai economic and financial condition report (Monthly)

<https://www.bot.or.th/en/thai-economy/state-of-thai-economy.html>

Monetary Policy Report

<https://www.bot.or.th/en/our-roles/monetary-policy/mpc-publication/Monetary-Policy-Report.html>

Inflation rate

<https://www.bot.or.th/en/thai-economy/economic-outlook.html>

Interest rate policy

<https://www.bot.or.th/en/our-roles/monetary-policy/mpc-publication/policy-interest-rate.html>

Foreign exchange rate

<https://www.bot.or.th/en/statistics/exchange-rate.html>

Fraud-related information

<https://www.bot.or.th/th/satang-story/fraud.html>

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