



BANK OF THAILAND

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Economic and Monetary Conditions

May 2023

Monetary Policy Group
June 2023

Note: This report and other related document can also be accessed at...

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

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1. Executive Summary

In May 2023, the Thai economic recovery remained on its recovery track. Spending of the private sector increased from both consumption and investment. Public spending also expanded due to higher current and capital expenditures. Meanwhile, the value of merchandise exports, excluding gold, increased in line with manufacturing production. The number of foreign tourists, after seasonal adjustment, continued to improve.

On the economic stability front, headline inflation declined mainly due to lower energy prices, following a decline in electricity and domestic retail oil prices, as well as a high base effect in the previous year. Core inflation also decreased slightly. The overall labor market recovered in line with economic conditions. The current account registered a deficit from the services, income, and transfers balance, while the trade surplus was small.

Details of the economic conditions are as follows:

Private consumption indicators, after seasonal adjustment, increased from the previous month mainly from spending on non-durable goods, especially in consumer goods. This was partly owing to temporary factors such as activities during the election period, a postponement of the income transfer for the state welfare cardholders from the previous month, and a long holiday period in this month. Meanwhile, the factors supporting household spending continued to improve both in terms of employment and consumer confidence. However, the elevated living costs remained and put downward pressure on the overall consumption.

Private investment indicators, after seasonal adjustment, increased from the previous month due to investment in machinery and equipment. This was partly due to certain factors such as a large amount of import of computers and related equipment as well as aircrafts. Likewise, investment in construction increased in both sales of construction materials and permitted area for construction.

Public spending, excluding transfer payments, expanded from the same period last year. In terms of the central government, current expenditures expanded from the compensation of public servants, while capital expenditures expanded from the disbursements of transportation and irrigation projects. Meanwhile, investments by state-owned enterprises expanded in line with disbursements in energy and utility projects.

The value of merchandise exports, excluding gold and after seasonal adjustment, improved from the previous month in several categories. This included automotive, agro-manufacturing products, and electrical appliances, followed the increase in demand from trading partners. Nonetheless, durian exports declined in line with lower output.

Manufacturing production, after seasonal adjustment, picked up after a sharp decline in the previous month, especially the production of food and beverages as well as electrical appliances, due

to the demand from trading partners. Nonetheless, the manufacturing of petroleum products declined due to a temporarily closure of an oil refinery for maintenance.

The value of merchandise imports, excluding gold and after seasonal adjustment, decreased from the previous month due to lower imports of raw materials and intermediate goods such as natural gas, steels and chemicals, as well as consumer goods, especially in smartphones and electric vehicles, after their imports accelerated in the preceding months. Imports of capital goods, however, increased in several categories including aircraft and computer equipment.

The number of foreign tourist arrivals, after seasonal adjustment, increased from the previous month in several nationalities, especially tourists from the Middle East, Europe and Japan. Nonetheless, tourist arrivals from India and Malaysia slightly declined. Meanwhile, the number of Chinese tourists remained flat compared to the previous month.

On the stability front, headline inflation declined mainly from lower energy prices due to 1) lower electricity prices thanks to the government subsidy, 2) lower domestic retail oil prices in line with global crude oil prices, and 3) the high base effect of last year consumer price index. Core inflation also decreased slightly from a high base effect of seasoning and condiment prices. The labor market improved in consistent with the economic conditions, as reflected by an increase in the number of insured persons in the social security system. The current account registered a deficit due to the remittance outflow of profits and dividends by foreign businesses, together with intellectual property payments, while the trade balance displayed a small surplus. As for exchange rates, the baht against the US dollar, on average, was stable from the previous month.

2.1 Supply

Farm income contracted from the same period last year due to lower production and prices. Manufacturing production picked up after a sharp drop in the previous month, especially in food and beverages and electrical appliances. Nonetheless, the production of petroleum products declined due to a temporarily closure of an oil refinery for maintenance. Economic activities in the service sector also improved on the back of increases in Thai and foreign tourists.

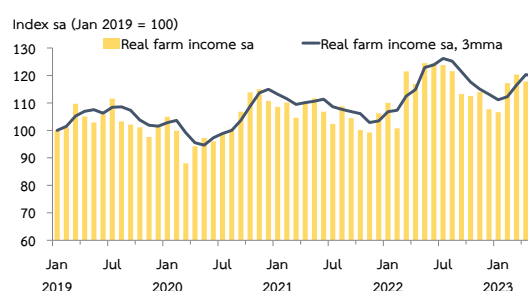
Agricultural sector

Nominal Farm Income

(%YoY)	2022	2022				2023		
		H1	H2	Q3	Q4	Q1	Apr	May
Nominal farm income ^P	13.3	11.8	15.9	17.3	13.8	7.4	3.4	-9.0
Agricultural production ^P	1.5	4.2	-0.4	-2.3	0.7	8.8	11.7	-6.6
Agricultural price	11.6	7.2	16.4	20.1	12.9	-1.3	-7.4	-2.6

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

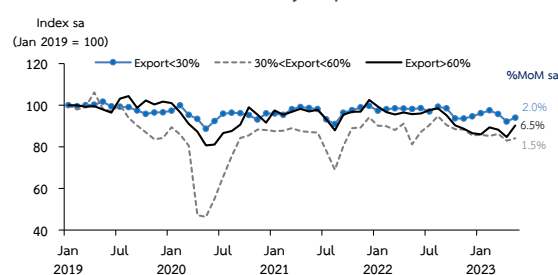
Manufacturing sector

Manufacturing Production Index

(%YoY)	Weight 2016 ^R	2022	2022				2023			
			H1	H2	Q3	Q4	Q1	Apr	May ^P	%MoM sa
Food & Beverages	20.3	2.1	0.9	3.5	7.4	0.0	-0.5	-5.5	-0.9	7.0
Automotives	13.8	11.5	2.7	20.3	35.8	8.5	7.0	-3.8	16.1	0.1
- Passenger Cars	4.7	0.7	-13.8	14.8	15.0	14.6	39.0	13.1	34.0	1.8
- Commercial Vehicles	7.2	18.1	10.9	25.6	53.4	6.5	-3.3	-8.3	9.7	-1.8
- Engine	1.3	11.9	11.2	12.6	25.9	1.9	-2.3	-14.1	15.9	14.8
Petroleum	9.5	8.7	14.5	3.4	17.3	-8.7	7.4	1.9	-2.0	-1.6
Chemicals	9.1	-4.4	-0.9	-7.9	-2.8	-13.1	-8.6	-8.5	-2.5	3.6
Rubbers & Plastics	8.8	-1.1	1.1	-3.3	2.4	-8.7	-4.7	-9.9	-8.2	0.6
Cement & Construction	5.5	3.0	0.0	6.3	9.6	3.2	-0.1	-5.7	-1.8	1.4
IC & Semiconductors	5.5	1.3	0.8	1.8	6.5	-2.7	-4.5	-4.0	-1.8	2.2
Electrical Appliances	3.8	-0.6	-2.0	1.0	10.2	-7.6	-4.3	-8.7	6.5	14.2
Textiles & Apparels	3.5	-1.5	-0.1	-3.0	9.9	-14.1	-24.9	-24.0	-25.5	0.6
Hard Disk Drive	3.4	-29.1	-21.4	-37.5	-32.4	-42.5	-37.6	-41.6	-27.7	13.6
Others	16.7	-5.3	-4.3	-6.4	1.1	-13.3	-11.4	-17.9	-14.0	2.2
MPI	100	0.4	0.2	0.5	7.7	-6.0	-3.7	-8.7	-3.1	3.1
MPI sa Δ% from last period	100	-	2.6	-1.7	1.7	-5.7	0.6	-3.8	3.1	-
Capacity Utilization (SA)	100	-	63.5	62.1	64.0	60.1	60.9	58.7	59.9	-

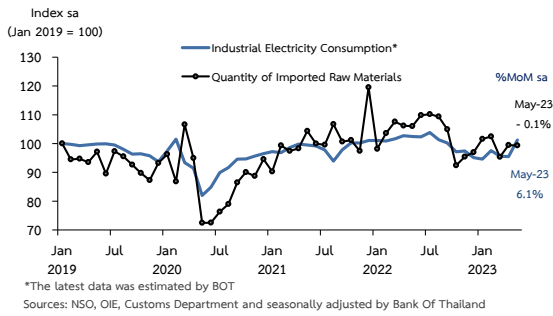
Note: the new MPI series as adjusted by the OIE (coverage and base year at 2016)
R = 2021 Revision P = Preliminary data
Source: Office of Industrial Economics and seasonally adjusted by Bank of Thailand
Production index of petroleum does not include the production of diesel B10 and B20

MPI Classified by Export Share



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

Other Indicators of Manufacturing Production



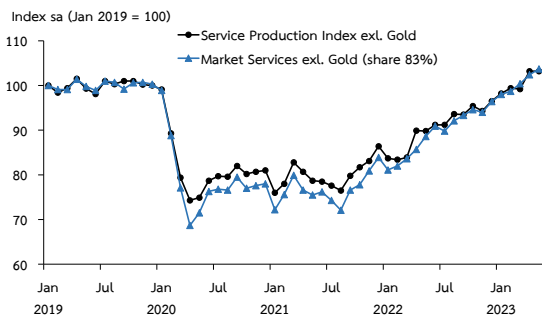
Capacity Utilization (sa)

(%)	Share 2016 ^R	2022	2022				2023		
			Q1	Q2	Q3	Q4	Q1	Apr	May ^P
Food & Beverages	20.3	54.4	54.4	54.1	55.0	54.0	53.5	50.2	53.1
Automotives	13.8	75.2	73.2	70.9	78.7	77.9	76.6	73.3	74.1
Petroleum	9.5	82.0	83.4	84.8	87.0	73.0	85.6	84.3	81.1
Chemicals	9.1	70.3	74.8	71.7	69.7	64.8	67.5	68.3	69.8
Rubbers & Plastics	8.8	49.9	51.1	52.4	50.0	46.3	46.9	46.4	46.8
Construction & Non-metal	5.5	61.6	61.4	61.8	61.7	61.4	60.3	58.9	59.5
IC & Semiconductors	5.5	77.5	77.5	76.5	80.1	75.6	69.1	68.5	69.1
Electrical Appliances	3.8	64.1	64.1	63.9	67.8	60.9	61.1	57.7	64.8
Textiles & Apparels	3.5	40.1	41.2	41.7	41.2	36.5	33.7	31.7	31.9
Hard Disk Drive	3.4	61.0	72.3	63.9	57.8	50.4	51.7	47.7	49.5
Others	16.7	54.7	56.7	56.2	54.5	51.6	51.3	48.5	49.6
CAPU sa	100.0	62.8	63.9	63.1	64.0	60.1	60.9	58.7	59.9

Note: the new Capacity Utilization series as adjusted by the OIE (coverage and base year at 2016)
R = 2021 Revision P = Preliminary data
Source: Office of Industrial Economics , calculated by Bank of Thailand

Service sector

Service Production Index (SPI)



Service Production Index (SPI) by Sectors

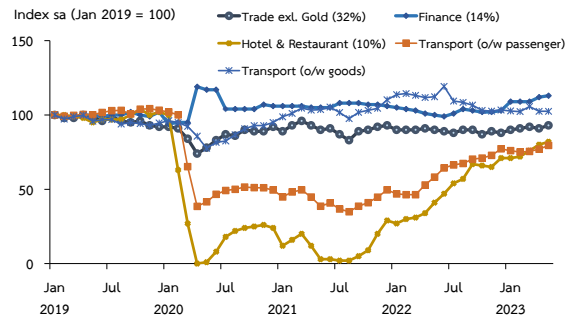


Table of Service Production Index (SPI) by Sector

(%YoY)	Share (2016)	2022	2022				2023			%MoM sa
			H1	H2	Q3	Q4	Q1	Apr	May	
Trade exl Gold	32.2	-1.3	-2.1	-0.5	3.5	-4.1	1.3	0.8	3.0	1.4
Transportation	7.7	19.8	12.7	26.9	31.2	22.8	19.9	14.1	9.3	2.0
(o/w) Goods	2.5	6.6	10.9	2.4	7.8	-2.7	-8.9	-8.1	-8.8	0.0
(o/w) Passenger	5.2	38.7	16.5	61.7	66.6	57.3	59.2	38.9	30.2	3.3
Hotel & Restaurant	10.3	321.0	218.8	414.5	1,896.0	228.8	156.3	124.5	92.4	3.1
Finance	14.0	-3.8	-3.2	-4.4	-4.8	-4.0	4.9	10.7	12.8	0.9
Non-Market Services	17.0	-0.6	-0.3	-0.9	1.1	-3.1	7.0	-5.4	4.4	1.5
SPI	100.0	12.9	11.2	14.5	16.2	12.8	13.7	9.8	10.9	1.3
SPI exl Gold	100.0	13.1	9.8	16.3	19.0	13.8	18.3	14.8	14.9	0.1
Market Services exl Gold	83.0	15.9	13.8	18.0	19.9	16.2	15.0	13.3	12.3	1.3

Note : Share to total service in GDP
Source: Bank of Thailand

2.2 Domestic Demand

Private consumption and private investment indicators increased from the previous month in almost all categories, partly due to various temporary factors. Public spending, excluding transfer payments, expanded from the same period last year from both current and capital expenditures of the central government as well as capital expenditures of the state-owned enterprises.

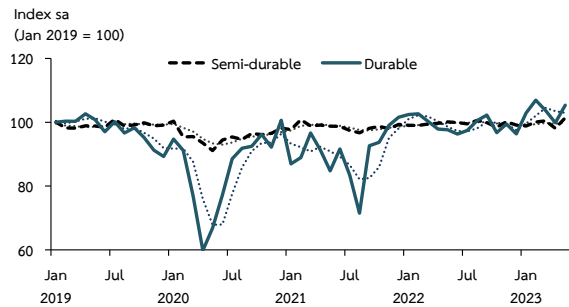
Private Consumption

Private Consumption Indicators (PCI)

%YoY	2022	2022				2023			%MoM _{sa}
		H1	H2	Q3	Q4	Q1	Apr	May ^P	
Non-durables index	2.1	0.0	4.4	6.9	1.9	2.6	1.9	4.5	1.7
Semi-durables index	1.1	0.6	1.6	2.6	0.6	0.6	-1.6	1.4	3.4
Durables index	7.5	6.7	8.2	20.8	-1.2	2.6	1.3	7.9	5.5
Services index	22.9	18.4	27.2	32.7	22.4	25.1	24.0	19.0	0.1
(less) Net tourist expenditure	1065.6	495.8	1528.0	9476.2	874.4	500.2	66.9	46.6	-2.6
PCI	8.4	7.2	9.7	14.6	5.2	5.5	8.0	7.3	1.5

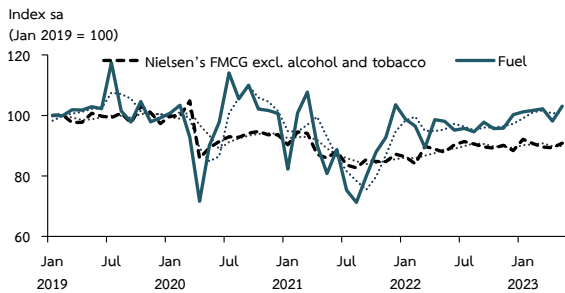
Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data
Source: Bank of Thailand

Durable and Semi-durable Indices



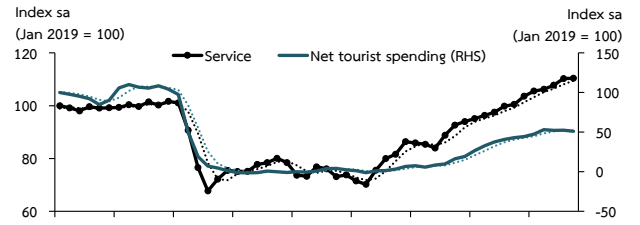
Source: Bank of Thailand

Nielsen's FMCG Index & Fuel Index



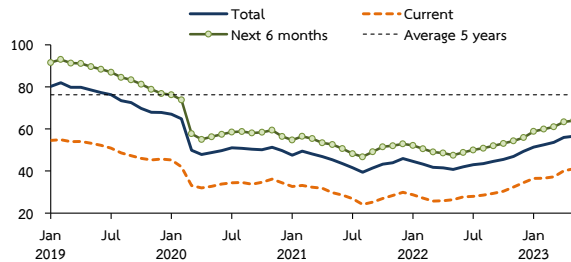
Source: The Nielsen company and Department of Energy Business, calculated by Bank of Thailand

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



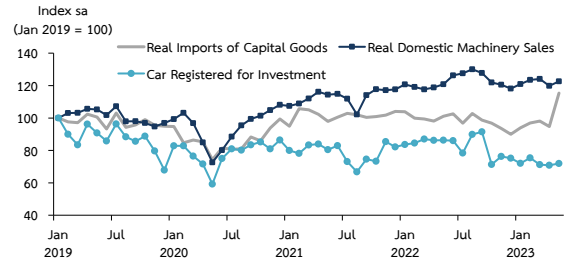
Private Investment

Private Investment Indicators

% YoY	2022	2022				2023			
		H1	H2	Q3	Q4	Q1	Apr	May ^P	%MoMsa
Permitted Construction Area (4mma)	6.3	9.6	2.9	3.5	2.4	-6.8	-7.4	-6.8	3.1
Construction Materials Index	3.4	-0.3	7.5	10.4	4.7	0.4	-7.5	1.6	3.0
Real Imports of Capital Goods	-2.8	-0.1	-5.4	-1.6	-9.1	-4.6	-3.7	13.8	21.8
Real Domestic Machinery Sales	8.4	7.3	9.6	17.6	2.2	3.3	0.4	1.2	2.4
Newly Registered Motor Vehicles for Investment	5.9	5.3	6.7	21.5	-7.7	-14.6	-17.8	-16.5	1.5
Private Investment Index	2.6	3.4	1.8	6.3	-1.9	-0.5	-2.5	2.2	5.4

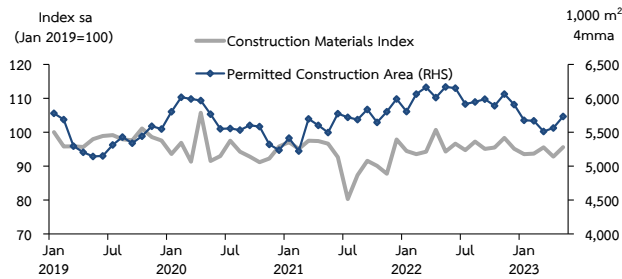
Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data
Source: Bank of Thailand

Investment in Machinery and Equipment



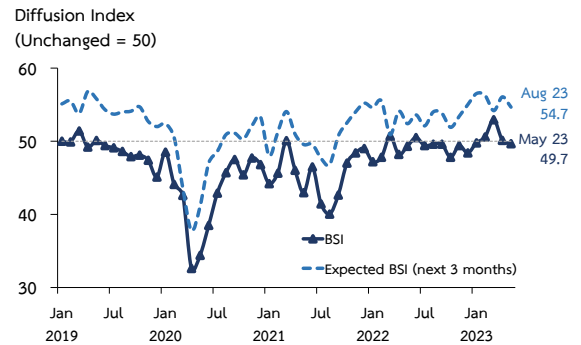
Note: All data is in real terms.
Source: Department of Land Transport, Customs Department, Revenue Department, calculated by Bank of Thailand

Investment in Construction



Note: All data is in real terms.
Source: NSO, Department of Public Works and Town & Country Planning, calculated by Bank of Thailand

Business Sentiment Index



Source : Bank of Thailand

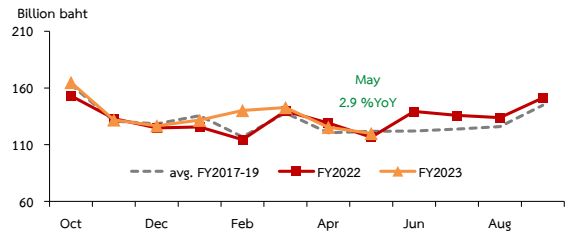
Fiscal position and public expenditure

Fiscal Position (Cash Basis)

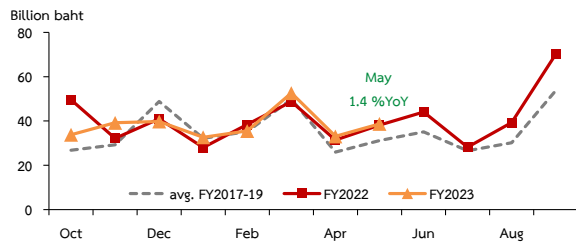
Billion baht	FY21	FY22	FY21				FY22				FY23		FY23	
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Apr	May ^p
Revenue	2,441	2,551	618	488	642	694	533	572	787	659	640	519	203	209
(%YoY)	(4.3)	(4.5)	(-4.6)	(-9.4)	(19.1)	(12.7)	(-13.8)	(17.3)	(22.6)	(-5.0)	(20.1)	(-9.3)	(1.9)	(5.1)
Expenditure ^{1/}	3,131	3,056	953	665	700	814	974	663	712	706	988	752	226	197
(%YoY)	(2.0)	(-2.4)	(19.7)	(-12.7)	(-11.2)	(12.2)	(2.3)	(-0.3)	(1.8)	(-13.2)	(1.4)	(13.5)	(10.9)	(4.3)
Budgetary B/L	-690	-505	-334	-177	-58	-120	-441	-91	75	-47	-348	-234	-22	11
Non-Budgetary B/L	-768	-448	-81	-267	-231	-189	-168	-163	-22	-95	-33	2	128	71
Cash B/L (CG)	-1,458	-953	-416	-444	-289	-310	-610	-254	53	-142	-381	-232	106	83
Primary balance ^{2/}	-1,223	-702	-291	-431	-213	-288	-474	-235	134	-127	-243	-215	110	89
Net Financing	1,475	988	317	322	398	438	358	278	175	178	130	54	-67	-57
Treasury B/L	589	624	473	351	460	589	337	361	588	624	372	194	232	257

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

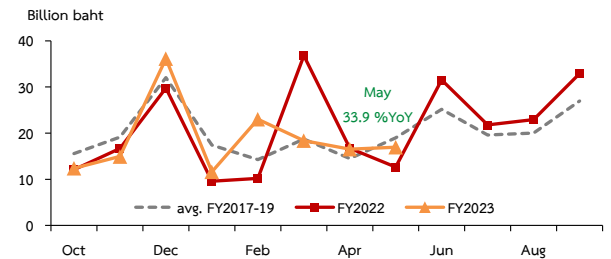
Central Government Current Expenditure
(Excl. Subsidies/Grants and Other)



Central Government Capital Expenditure
(Excl. Subsidies/Grants and Other)



State Owned Enterprises Capital Expenditure

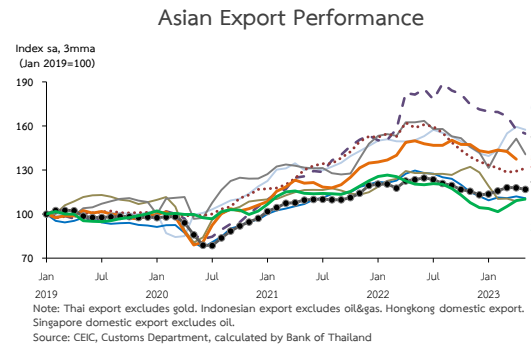
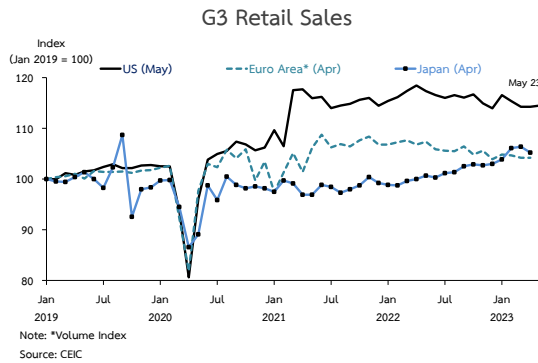


Source: Comptroller General's Department, Fiscal Policy Office and Bank of Thailand

2.3 The Global Economy and External Sector

The value of merchandise exports, excluding gold and after seasonal adjustment, recovered from the previous month, especially in automotive, agro-manufacturing products and electrical appliances. Foreign tourist figures increased in several nationalities, especially tourists from the Middle East, Europe, and Japan. The current account registered a deficit due to the remittance outflow of profits and dividends by foreign businesses as well as expenses on intellectual property, while trade balance posted a small surplus.

The global economy



External sector

Export Value

Apr 2023 = 21.5 Bn USD (-4.9%YoY) May 2023 = 24.1 Bn USD (-5.9%YoY)

Ex Gold = 20.7 Bn USD (-6.6%YoY) Ex Gold = 23.8 Bn USD (-5.9%YoY)

%YoY	Share 2022	2022	2022				2023				May (%MoMsa)
			H1	H2	Q3	Q4	Q1	Apr	May		
Agriculture	6.7	-1.7	8.1	-11.7	-13.2	-10.0	6.9	36.4	-30.6	-31.4	
Fishery	0.6	-2.1	2.8	-6.3	1.1	-13.5	-13.2	-5.0	10.1	4.6	
Manufacturing	89.0	4.8	10.4	-0.5	7.9	-8.3	-3.3	-13.4	-1.5	4.1	
Agro-manufacturing	13.9	8.6	12.0	5.1	13.5	-2.9	-0.1	-12.5	-4.0	5.1	
Electronics	11.9	3.8	9.3	-1.2	5.1	-7.2	-8.0	-4.6	-5.5	2.3	
Electrical Appliances	9.2	2.8	3.3	2.2	7.4	-2.8	4.6	6.0	13.5	4.7	
Automotive	14.3	-1.6	-4.8	1.7	8.4	-4.1	2.1	-2.9	7.2	4.3	
Machinery & Equipment	8.2	5.2	6.3	4.2	10.3	-1.7	-0.1	-6.7	-0.2	1.6	
Petroleum Related	12.2	1.4	19.5	-14.1	-3.6	-24.2	-15.5	-23.8	-23.9	-5.8	
Total (BOP Basis)	100.0	5.5	11.9	-0.6	6.7	-7.5	-4.6	-4.9	-5.9	-1.9	
Ex. Gold	-	4.4	9.6	-0.6	6.4	-7.3	-2.4	-6.6	-5.9	0.6	
Ex. Gold & Petroleum Related	-	4.8	8.2	1.5	8.0	-4.6	-0.5	-3.6	-3.0	1.4	

%MoM calculated from seasonally adjusted data, using data since 2007 (subject to revision). 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

Import Value

Apr 2023 = 21.4 Bn USD (-3.7%YoY) May 2023 = 24 Bn USD (-2.3%YoY)

Ex Gold = 21.1 Bn USD (-3.6%YoY) Ex Gold = 23.3 Bn USD (-0.5%YoY)

%YoY	Share 2022	2022	2022				2023				May (%MoMsa)
			H1	H2	Q3	Q4	Q1	Apr	May		
Consumer	11.8	6.4	8.3	4.6	12.2	-2.0	9.9	10.2	7.2	-6.1	
Raw material & Intermediate	66.7	17.6	27.8	8.4	21.1	-3.9	-1.6	-10.1	-9.9	-2.9	
o/w Fuel	19.6	59.9	84.6	41.5	83.7	8.8	6.6	-9.0	-13.1	-5.0	
o/w Raw mat & Interm ex. Fuel	47.0	5.8	14.0	-1.9	4.4	-8.3	-4.6	-10.6	-8.7	-2.1	
Capital	16.6	2.4	8.4	-3.2	-0.0	-6.2	-0.3	-8.0	30.0	21.9	
Others	5.0	22.8	-13.3	72.6	140.2	16.2	-14.0	-5.3	-32.3	63.3	
Total (BOP Basis)	100.0	15.3	19.7	11.1	23.2	-0.3	1.3	-3.7	-2.3	1.6	
Ex. Gold	-	14.7	21.3	8.6	18.7	-1.0	2.0	-3.6	-0.5	-0.2	
Ex.Gold&Fuel	-	6.6	11.4	2.1	7.3	-3.2	0.9	-2.1	2.8	1.0	

%MoM calculated from seasonally adjusted data, using data since 2007 (subject to revision). 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

Balance of payments

Net Financial Flows

Million USD	2021 ^P	2022 ^P	2022 ^P				2023 ^P	
			H1	H2	Q3	Q4	Q1	Q2
1. Assets	-27,102	-12,289	-8,377	-3,912	-4,080	168	-751	
TDI	-19,152	-7,589	-4,939	-2,450	-1,963	-687	-2,852	
- Equity	-7,613	-8,882	-3,820	-5,062	-1,619	-3,443	-724	
- Reinvestment of earnings	-3,429	-1,837	-1,234	-603	-670	66	-430	
Thai portfolio investment	-16,831	-2,473	-289	-2,184	-318	-1,866	-3,086	
- Equity sec. investment	-16,591	1,669	1,124	545	1,000	-455	-3,722	
- Debt sec. investment	-240	-4,142	-1,413	-2,729	-1,318	-1,411	636	
Loans	-613	-6,675	-3,067	-3,609	-3,073	-535	109	
Other investments	9,493	4,449	-82	4,531	1,275	3,256	5,077	
- Trade credits	468	-1,138	-1,524	387	278	109	-961	
- Deposits abroad	4,306	-1,732	-1,931	199	-11	210	3,289	
2. Liabilities	21,123	15,457	11,932	3,525	584	2,941	-1,703	
FDI	14,641	10,196	6,541	3,655	2,050	1,605	2,009	
- Equity	4,924	4,530	3,001	1,529	1,151	378	1,904	
- Reinvestment of earnings	7,168	5,562	2,751	2,811	1,577	1,234	23	
Foreign portfolio investment	4,937	8,242	4,850	3,392	-438	3,829	-2,775	
- Equity sec. investment	-1,891	6,421	4,186	2,235	780	1,456	-1,918	
- Debt sec. investment	6,828	1,820	664	1,156	-1,217	2,374	-856	
Loans	1,868	-161	-340	179	2,158	-1,978	1,063	
Other investments	-323	-2,821	881	-3,702	-3,186	-515	-2,000	
- Trade credits	1,944	2,473	2,839	-366	-1,725	1,359	431	
- Deposits	-112	1,119	1,040	79	-768	847	11	
Total financial flows (1+2)	-5,980	3,168	3,555	-387	-3,496	3,109	-2,454	

Source: Bank of Thailand P = Preliminary data

Balance of Payments

Billion USD	2021 ^P	2022 ^P	2022 ^P				2023 ^P		
			H1	H2	Q3	Q4	Q1	Apr	May
Trade Balance	32.4	10.8	9.7	1.1	-1.9	3.0	2.9	0.1	0.1
Exports (f.o.b.)	270.6	285.4	147.6	137.8	72.0	65.8	69.8	21.5	24.1
%YoY	19.2	5.5	11.9	-0.6	6.7	-7.5	-4.6	-4.9	-5.9
Imports (f.o.b.)	238.2	274.6	137.9	136.7	73.8	62.8	66.9	21.4	24.0
%YoY	27.7	15.3	19.7	11.1	23.2	-0.3	1.3	-3.7	-2.3
Net Services, Income & Transfers	-43.0	-28.2	-19.6	-8.6	-6.1	-2.5	0.5	-0.7	-2.8
Current Account	-10.6	-17.4	-9.9	-7.5	-7.9	0.4	3.5	-0.6	-2.8
Capital and Financial Account	-6.0	3.2	3.6	-0.4	-3.5	3.1	-2.5		
Overall Balance	-7.1	-10.2	-7.4	-2.9	-8.2	5.3	2.7	-1.7	1.0

Source: Bank of Thailand P = Preliminary data

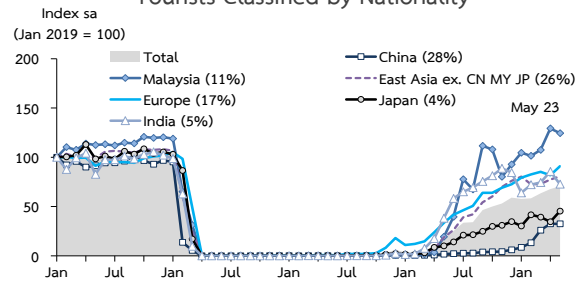
Foreign tourist arrivals

Inbound Tourists by Country of Origin

Thousand persons * (Share in 2019)	2019 (Pre-COVID)	2021	2022	2022				2023		
				H1	H2	Q3	Q4	Q1 ^P	Apr ^P	May ^P
China (27.9%)	11,138.7	13.0	273.6	57.4	216.1	89.5	126.7	517.3	328.4	285.5
Malaysia (10.7%)	4,274.5	5.5	1,948.5	200.6	1,747.9	774.2	973.7	921.0	401.4	373.9
Asia ex. China & Malaysia & Japan (26.2%)	10,469.7	45.4	3,387.9	497.1	2,890.9	1,167.2	1,723.7	1,823.7	617.1	649.3
Japan (4.5%)	1,787.2	9.5	290.1	49.2	241.0	104.2	136.8	172.3	45.3	53.7
Europe (16.8%)	6,725.3	265.0	2,698.1	660.2	2,037.9	642.4	1,395.5	2,005.3	430.5	281.4
India (4.9%)	1,961.1	6.5	997.9	235.9	762.1	336.3	425.8	322.6	133.3	149.1
US (2.8%)	1,136.2	37.9	453.7	105.6	348.1	120.3	227.8	248.5	72.1	62.1
Others (6.1%)	2,423.7	45.0	1,103.0	273.9	829.2	374.0	455.1	466.8	154.0	158.8
Total (Non SA)	39,916.3	427.9	11,152.9	2,079.8	9,073.1	3,608.1	5,465.0	6,477.5	2,182.1	2,013.9
(%YoY)	(4.6)	(-93.6)	(2506.6)	(5042.0)	(2241.9)	(7847.7)	(1497.8)	(1201.7)	(644.0)	(286.2)
%QoQsa, %MoMsa	-	-	-	-	-	116.7	42.1	10.8	6.7	4.3

* Non seasonally adjusted data
Source: Ministry of Tourism and Sports

Tourists Classified by Nationality



Note: () denotes share of total tourist arrivals in 2019 P = Preliminary data
Source: Ministry of Tourism and Sports, calculated by Bank of Thailand

2.4 Monetary and Financial Conditions

Total corporate financing increased from the previous month in all financing channels: corporate bond, business credits, and equity. Net loans extended to the household sector also increased in all types of loans. On the exchange rate, the baht against the US dollar in May 2023 on average remained stable from the previous month.

Interest rates

Commercial Bank Interest Rates*

% p.a	2020	2021				2022				2023		
		H1	H2	Q1	Q2	Q3	Q4	Q1	Apr	May	26 Jun	
12-month deposit rate												
Average of 6 largest Thai banks**	0.49	0.42	0.45	0.45	0.45	0.5	0.98	1.15	1.31	1.31	1.40	
Average of other Thai banks	0.89	0.81	0.89	0.84	0.84	0.93	1.04	1.26	1.28	1.35	1.48	
Average of foreign branches and subsidiary***	0.56	0.54	0.53	0.53	0.56	0.57	0.72	0.80	0.84	0.85	1.00	
MLR												
Average of 6 largest Thai banks	5.36	5.36	5.49	5.49	5.49	5.55	6.00	6.56	6.80	6.80	7.00	
Average of other Thai banks	6.69	6.59	6.71	6.71	6.71	7.19	7.67	7.79	7.82	7.97	7.97	
Average of foreign branches and subsidiary	6.84	6.79	6.79	6.79	6.79	6.79	6.76	6.89	6.96	7.02	7.13	
MRR												
Average of 6 largest Thai banks	6	6.04	6.08	6.08	6.08	6.13	6.30	6.81	7.00	7.00	7.20	
Average of other Thai banks	7.09	7.09	7.32	7.32	7.32	7.32	7.74	8.11	8.24	8.29	8.46	
Average of foreign branches and subsidiary	7.93	7.91	7.91	7.91	7.91	7.91	8.00	8.00	8.11	8.15	8.15	

* End of Period
 ** Bangkok Bank, Krung Thai Bank, Kasikorn Bank, Siam Commercial Bank, Bank of Ayudhya and TMBThanachart Bank since July 2021
 *** Excludes Citibank since June 2023
 Source: Bank of Thailand

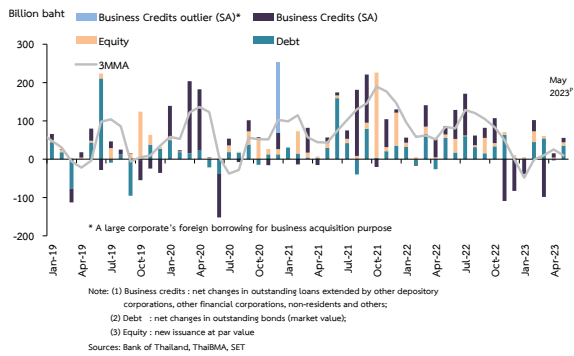
Government Bond Yields



Sources: Bank of Thailand and ThaiBMA

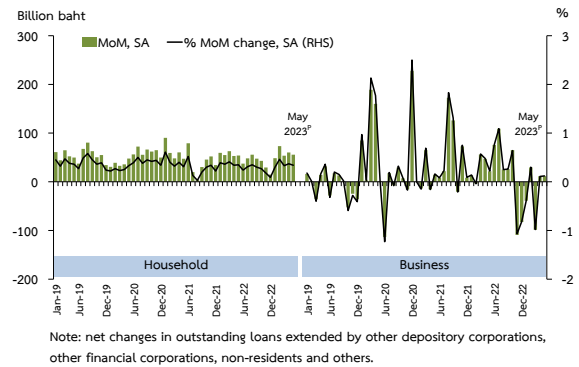
Corporate financing

Changes in Total Corporate Financing



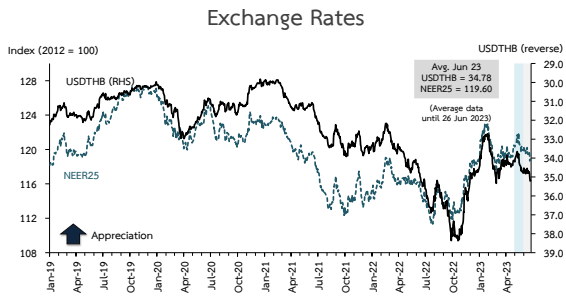
Note: (1) Business credits : net changes in outstanding loans extended by other depository corporations, other financial corporations, non-residents and others;
 (2) Debt : net changes in outstanding bonds (market value);
 (3) Equity : new issuance at par value
 Sources: Bank of Thailand, ThaiBMA, SET

Net Changes in Outstanding Loans

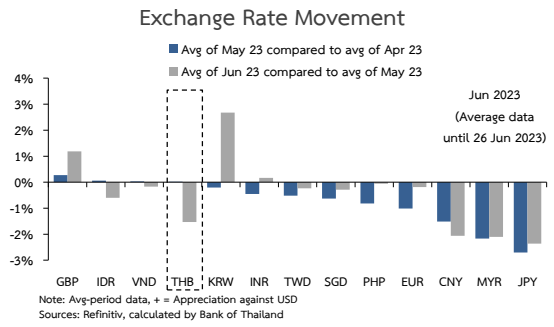


Note: net changes in outstanding loans extended by other depository corporations, other financial corporations, non-residents and others.

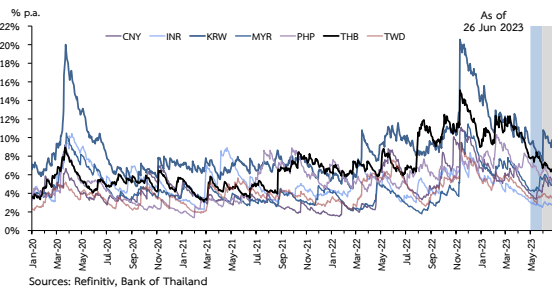
Exchange rates



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



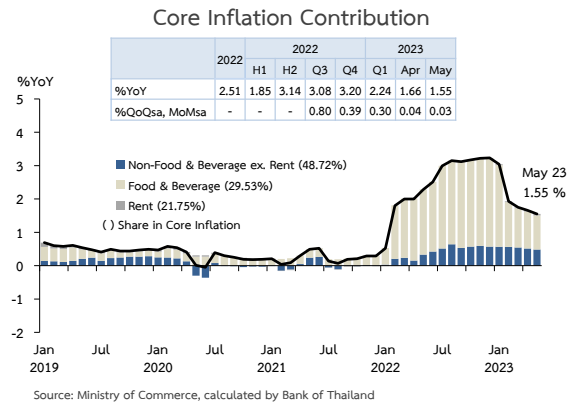
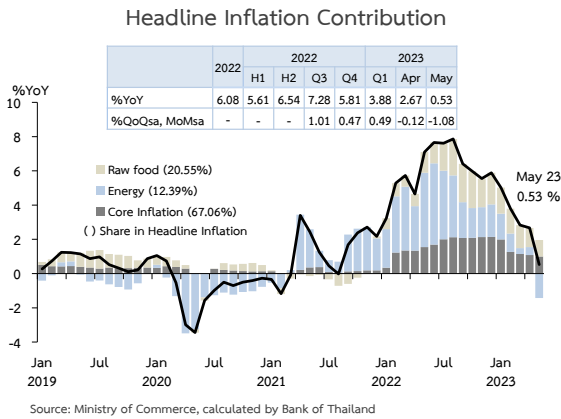
Regional Exchange Rate Volatility



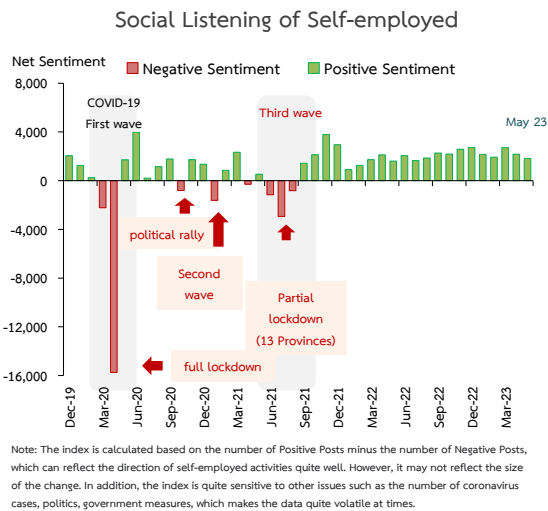
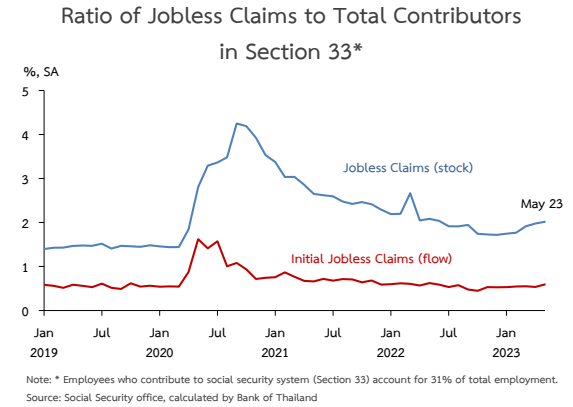
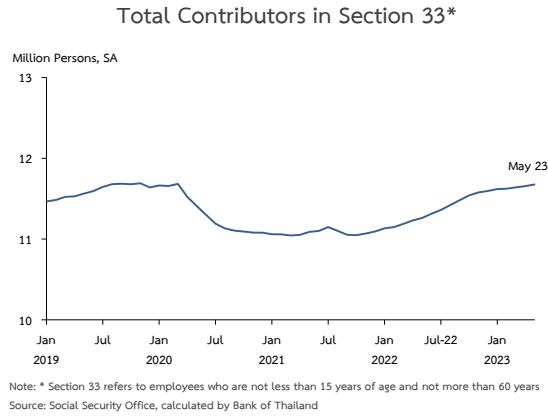
2.5 Financial Stability

Headline inflation declined mainly from energy category following a decrease in electricity prices due to the government subsidy, lower oil prices, as well as the high base effect of consumer price index last year. Core inflation decreased slightly, however, food price categories continued to increase. The labor market continued to improve as reflected by increases in the number of insured persons in the social security system.

Inflation



Labor market



External stability

External Debt Outstanding

Billion USD	2020	2021 ^P	2022 ^E	2022 ^E				2023 ^P	Change Q1 2023- Q4 2022
				Q1	Q2	Q3	Q4		
1. General government	33.9	33.6	33.6	33.9	30.2	28.2	33.6	33.3	-0.3
2. Central Bank*	3.4	7.9	7.6	7.4	7.0	6.2	7.6	7.4	-0.2
3. Other Depository Corporations (ODC)	39.0	40.7	39.3	38.8	39.3	39.8	39.3	39.7	0.4
4. Other Sectors	113.9	114.0	119.4	117.8	117.6	113.7	119.4	122.7	3.3
- Other Financial Corporations (OFC)	23.4	23.5	27.0	23.4	23.1	23.5	27.0	27.8	0.8
- Non Financial Corporations (NFC)	90.5	90.6	92.4	94.4	94.5	90.2	92.4	94.9	2.5
Q/W Foreign Trade Credit	24.5	27.8	30.5	29.7	31.4	29.2	30.5	32.8	2.4
5. Total	190.2	196.3	199.8	198.0	194.1	187.9	199.8	203.2	3.3
Short-term (%)	39.1	38.1	40.1	38.1	39.5	40.7	40.1	40.2	0.1
Long-term (%)	60.9	61.9	59.9	61.9	60.5	59.3	59.9	59.8	-0.1

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	2020	2021 ^P	2022 ^E	2022 ^E				2023 ^P
					Q1	Q2	Q3	Q4	
Solvency Indicators									
Current Account / GDP (%)	> -2	4.2	-2.1	-3.5	-1.6	-6.4	-6.6	0.3	2.7
Debt / GDP (%)	< 80 ^{1/}	36.8	38.0	39.9	38.4	37.8	37.1	39.9	40.5
Debt / XGS ^{1/} (%)	< 220 ^{2/}	62.7	67.1	68.2	67.6	65.9	63.9	68.2	68.7
Debt Service Ratio (%)	< 20	7.5	6.1	6.9	6.4	5.5	8.0	7.5	6.0
Liquidity Indicators									
Gross Reserves / ST Debt	> 1 time	3.0	2.7	2.3	2.7	2.4	2.2	2.3	2.3
Gross Reserves / Imports ^{2/}	> 3 times	13.3	10.0	7.7	9.5	8.3	7.1	7.7	8.0
ST Debt / Total Debt (%)		39.1	38.1	40.1	38.1	39.5	40.7	40.1	40.2

Note: ^{1/} XGS – Export of Goods and Services (3-year average)

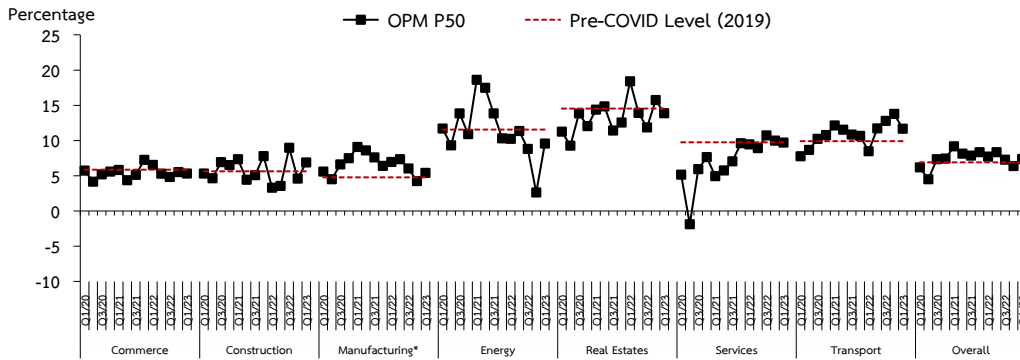
^{2/} Monthly Import of Goods and Services (1-year average)

^{3/} Severely indebted countries

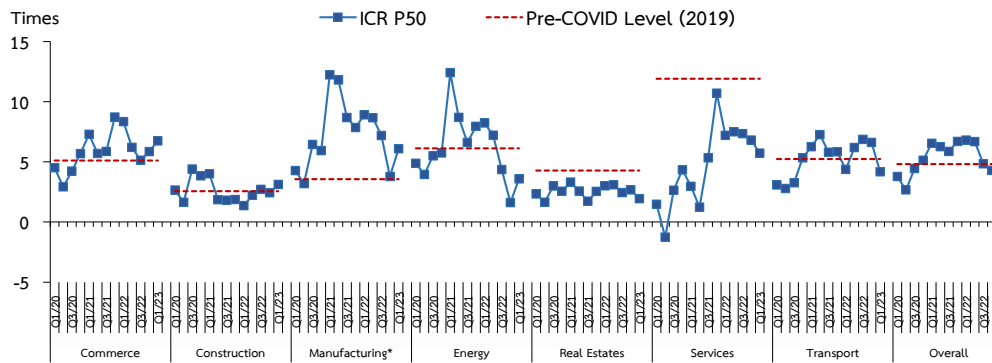
Source : Bank of Thailand P=Preliminary data E=Estimated data

Stability and financial condition of corporate sector (1Q 2023)

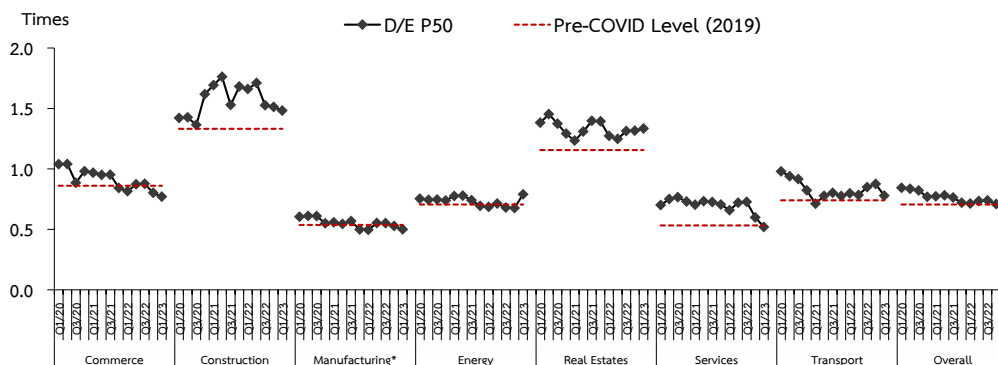
Operating Profit Margin by Sectors



Interest Coverage Ratio by Sectors



Debt to Equity Ratio by Sectors



Note: 50th percentile, *Manufacturing excludes petroleum and petrochemical, Services include Hotel, Education and Hospital, Energy includes petroleum and related products, and power.

Source: Stock Exchange of Thailand; calculation by Bank of Thailand

3. Link to related statistics and contents

■ Agricultural sector

Agricultural prices: [Agricultural prices](#)

Agricultural production: [Agricultural products](#)

More information: Office Of Agricultural Economics www.oae.go.th

■ Manufacturing sector

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

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

More information: Office of Industrial Economics <http://www.oie.go.th/view/1/Home/EN-US>

■ Real estate sector

Property Indicators: [Property Indicators \(EC_EI_009_S2\)](#)

More information: Real Estate Information Center www.reic.or.th/

■ Public finance

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

■ Labor market

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

■ Inflation

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

More information: Bureau of Trade and Economic Indices www.price.moc.go.th

■ Other reports of Monetary Policy Group, Bank of Thailand

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