BANK OF THAILAND

Economic and Monetary Conditions

February 2022

Monetary Policy Group

March 2022

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

https://www.bot.or.th/English/MonetaryPolicy/EconomicConditions/PressRelease/Pages/default.aspx

Content

1. Executive Summary

In February 2022, the Thai economy remained on the recovery path. Merchandise exports picked up as external demand improved. Foreign tourist figures also increased from the previous month due to the resumption of Test and Go program. These caused a modest improvement in manufacturing production. Nonetheless, private consumption and investment declined slightly due to adverse impacts from the Omicron outbreak. Meanwhile, public spending expanded from the same period last year both in current and capital expenditures of the central government.

On the economic stability front, headline inflation increased in tandem with energy and fresh food prices, together with core inflation which accelerated due to higher prepared food prices. Labor market gradually improved but remained vulnerable. The current account displayed a smaller deficit due to a larger trade surplus, albeit a deficit in the net service, income, and transfers.

Details of the economic conditions are as follows:

The value of merchandise exports, after seasonal adjustment, slightly increased in several categories such as petroleum-related products and agro-manufacturing products, especially sugar, which saw its production expanded firmly. Furthermore, automotive and electronics exports showed signs of improvement thanks to the recovery of trading partners' demand. Nonetheless, the export of some agricultural products such as fruits to China declined as the Chinese government imposed stricter containment measures.

The number of foreign tourist arrivals, after seasonal adjustment, slightly increased from the previous month thanks to the resumption of Test and Go program since 1 February 2022.

Private consumption indicators, after seasonal adjustment, slightly decreased from the previous month as the Omicron outbreak situation prolonged amidst high energy and food prices, which resulted in a somewhat decline in consumer confidence. The government stimulus measures, however, remained a positive factor in supporting purchasing power of the household.

Private investment indicators, after seasonal adjustment, slightly decreased from the previous month due mainly to lower investment in machinery and equipment, which was in line with lower imports of capital goods. The investment in construction, however, remained flat from the previous month.

Manufacturing production, after seasonal adjustment, slightly increased from the previous month, particular in the petroleum and food and beverage sectors, which was in line with the recovery outlook as well as the easing prospect of the containment measures. Meanwhile, production in some sectors decline from the previous month, including rubber and plastics, electronics, automotive and chemical products, partly due to the supply disruption problems.

The value of merchandise imports, after seasonal adjustment, increased from the previous month mainly from higher fuel imports that was in line with importers' front-loaded procurement plan. Meanwhile, imports of raw materials, capital goods, and consumer products declined slightly in line with the domestic demand development.

Public spending, excluding transfer payment, expanded from the same period last year. Current expenditures expanded both from the purchases of goods and services and the compensation of employees. Capital expenditures expanded mainly due to the disbursement of transportation agencies.

On the stability front, headline inflation increased from energy and fresh food prices, together with core inflation which accelerated from the prepared food prices due to increasing costs of food ingredients. Labor market gradually improved but remained vulnerable. The current account displayed a smaller deficit due to a larger trade surplus, albeit a deficit in the net service, income, and transfers. After the Test and Go program was resumed in February, the baht appreciated against the US dollar.

2.1 Supply

Farm income expanded from the same period last year due to higher agricultural production and prices. Manufacturing production slightly increased from the previous month especially in petroleum, food and beverage products. Economic activities in the service sector, excluding gold, improved from the previous month thanks partly to government measures, which supported household spending along with the relaxation of the COVID-19 containment measures.

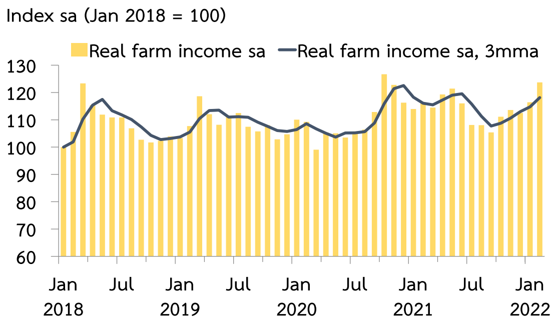
Agricultural sector

Nominal Farm Income

(%YoY)	2021	2021				2022	
		H1	H2	Q3	Q4	Jan	Feb
Nominal farm income[P]	3.7	11.8	-3.9	-0.6	-5.8	5.5	9.0
Agricultural production[P]	0.7	1.1	0.5	4.1	-1.5	1.0	8.5
Agricultural price	3.0	10.6	-4.4	-4.5	-4.3	4.5	0.4

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

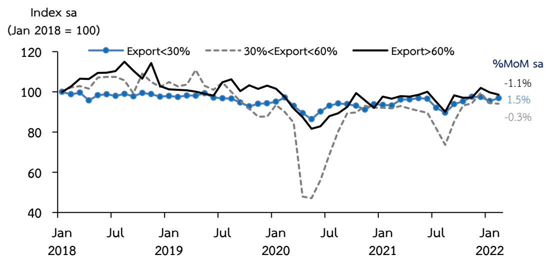
Manufacturing sector

Manufacturing Production Index

(%YoY)	Share 2016[R]	2021	2021				2022		
			H1	H2	Q3	Q4	Jan	Feb[P]	%MoM sa
Food & Beverages	20.3	2.5	4.1	0.8	-3.8	5.2	3.7	4.8	1.4
Automotives	13.8	19.0	40.5	3.0	2.2	3.6	4.8	2.4	-0.9
- Passenger Cars	4.7	13.6	29.8	1.4	8.3	-4.0	-14.1	-25.8	-8.5
- Commercial Vehicles	7.2	19.8	43.3	2.3	-4.9	8.0	16.0	16.9	1.7
- Engine	1.3	34.7	58.1	17.8	23.4	13.6	8.7	17.4	4.0
Petroleum	9.5	-2.1	-5.9	1.8	-4.6	8.2	9.3	15.9	3.8
Chemicals	9.1	2.5	1.5	3.6	0.2	7.3	0.8	-0.3	-1.2
Rubbers & Plastics	8.8	6.2	7.8	4.6	5.2	4.1	3.5	0.3	-2.8
Cement & Construction	5.5	-0.4	1.5	-2.4	-6.3	1.5	-0.3	0.6	0.1
IC & Semiconductors	5.5	15.5	15.9	15.0	14.2	15.8	17.3	6.2	-3.0
Electrical Appliances	3.8	8.4	20.0	-3.7	-4.3	-3.0	-2.8	-3.1	-0.5
Textiles & Apparels	3.5	-5.9	-11.3	0.6	-3.7	4.6	-4.0	14.9	-1.3
Hard Disk Drive	3.4	0.8	10.1	-7.5	-5.0	-9.9	-20.0	-11.3	4.7
Others	16.7	10.1	17.5	3.2	1.7	4.7	-3.3	-0.8	1.4
MPI	100	5.8	9.5	2.2	-0.3	4.7	2.0	2.8	0.3
MPI sa Δ% from last period	100	-	4.3	-2.1	-6.4	8.2	-3.0	0.3	-
Capacity Utilization (SA)	100		63.8	62.1	59.9	64.4	63.5	63.9	-

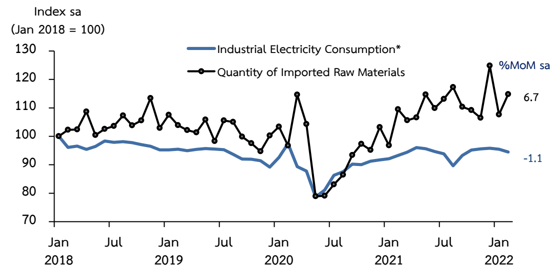
Note: the new MPI series as adjusted by the OIE (coverage and base year at 2016)
R = 2021 Revision P = Preliminary data
Source: Office of Industrial Economics and seasonally adjusted by Bank of Thailand
Production index of petroleum does not include the production of diesel B10 and B20

MPI Classified by Export Share



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

Other Indicators of Manufacturing Production



* The latest data was estimated by BOT
Sources: NSO, OIE, Customs Department and seasonally adjusted by Bank Of Thailand

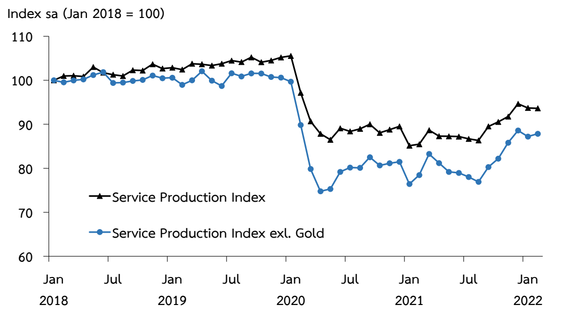
Capacity Utilization (sa)

(%)	Share 2016R	2021	2021 Q1	Q2	Q3	Q4	2022 Jan	FebP
Food & Beverages	20.3	53.6	52.6	54.9	52.4	54.5	54.1	54.8
Automotives	13.8	67.9	72.1	68.1	57.6	73.6	74.2	73.1
Petroleum	9.5	80.7	78.3	81.9	77.8	84.5	81.8	84.0
Chemicals	9.1	74.5	74.9	74.3	74.0	74.7	74.4	74.8
Rubbers & Plastics	8.8	50.4	50.0	51.6	49.5	50.5	49.6	48.4
Construction & Non-metal	5.5	60.7	61.3	62.6	57.8	61.1	62.0	61.1
IC & Semiconductors	5.5	78.5	77.8	80.2	78.4	77.6	78.0	79.1
Electrical Appliances	3.8	63.3	62.8	64.5	61.6	64.2	61.9	61.6
Textiles & Apparels	3.5	41.1	42.5	40.8	37.9	43.1	41.9	42.2
Hard Disk Drive	3.4	79.5	81.3	84.1	76.2	76.0	71.1	73.3
Others	16.7	57.5	58.5	59.6	54.3	57.6	56.3	57.1
CAPU sa	100.0	63.0	63.4	64.2	59.9	64.4	63.5	63.9

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

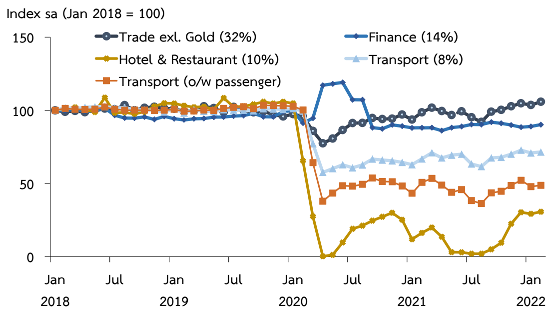
Service sector

Service Production Index (SPI)



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

Service Production Index (SPI) by Sectors



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 remained on the recovery path despite softened somewhat due to worsening situation of the Omicron outbreak in the second half of the month as well as high energy and food prices. Private investment indicators also declined slightly. Nonetheless, public spending expanded from the same period last year in both current and capital expenditures.

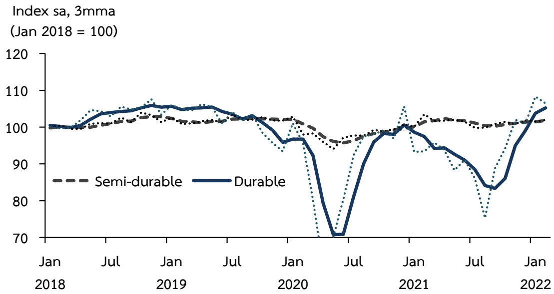
Private Consumption

Private Consumption Indicators

%YoY	2021	2021				2022		
		H1	H2	Q3	Q4	Jan	Feb[P]	%MoM sa
Non-durables index	-4.8	-2.3	-7.3	-10.1	-4.4	3.1	-4.3	-0.7
Semi-durables index	2.9	4.1	1.8	1.9	1.7	1.6	-1.4	0.4
Durables index	0.2	11.1	-8.7	-14.1	-4.3	14.1	12.3	-1.7
Services index	-3.7	-7.4	0.1	-4.7	4.6	16.9	14.7	-0.4
(less) Net tourist expenditure	-55.7	-88.1	244.7	22.0	435.8	550.9	467.9	0.6
PCI	-1.6	1.9	-4.9	-7.1	-2.7	5.0	2.3	-0.6

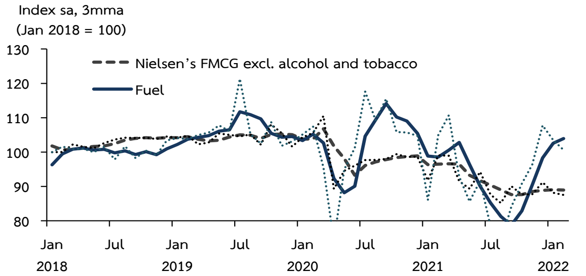
Note: %MoM is calculated from seasonally adjusted data   P = Preliminary Data
Source: Bank of Thailand

Durable and Semi-durable Indices



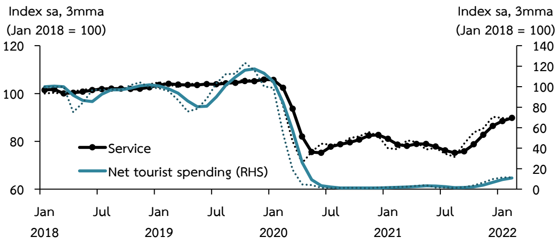
Source: Bank of Thailand

Nielsen's FMCG Index & Fuel Index



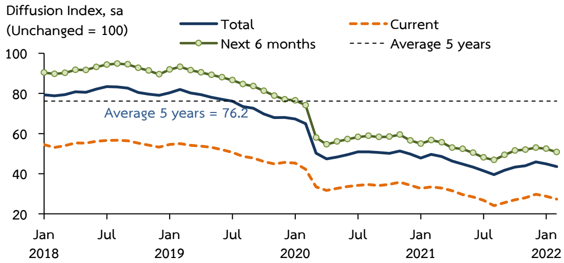
Source: The Nielsen company and Department of Energy Business, calculated by Bank of Thailand

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

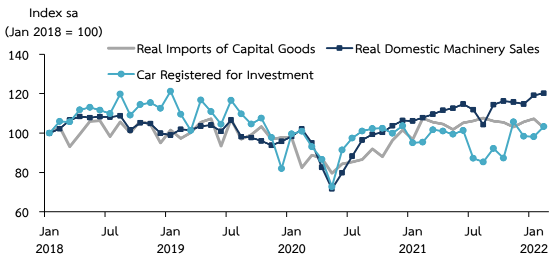
Private Investment Indicators

% YoY	2021	2021				2022		
		H1	H2	Q3	Q4	Jan	Feb[P]	%MoM
Permitted Construction Area (9mma)	-6.1	-10.0	-1.9	-4.7	1.1	4.5	5.6	0.8
Construction Materials Index	-1.3	2.1	-4.8	-9.1	-0.4	-1.7	-1.5	-0.8
Real Imports of Capital Goods	17.0	19.1	15.1	21.2	9.8	11.6	-4.3	-4.3
Real Domestic Machinery Sales	19.1	24.7	13.9	16.2	11.9	13.0	11.7	0.9
Newly Registered Motor Vehicles for Investment	0.2	9.0	-8.6	-12.1	-5.0	3.5	8.5	5.2
Private Investment Index	9.7	12.8	6.9	8.1	5.9	7.8	4.3	-0.9

Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data

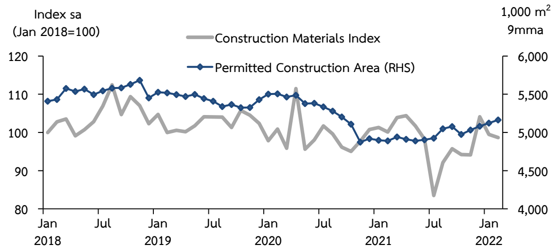
Source: Bank of Thailand

Investment in Machinery and Equipment



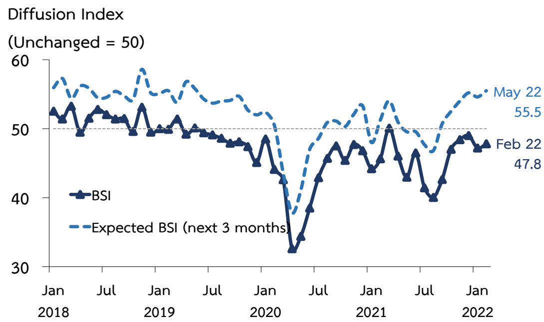
Note: All data is in real terms.
Source: Department of Land Transport, Customs Department, Revenue Department, calculated by Bank of Thailand

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

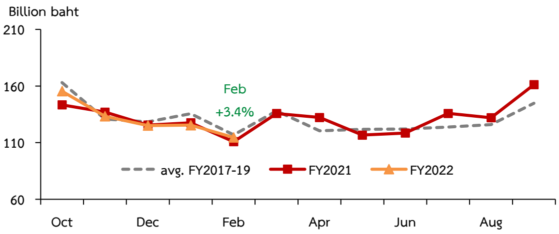
Fiscal position and public expenditure

Fiscal Position (Cash Basis)

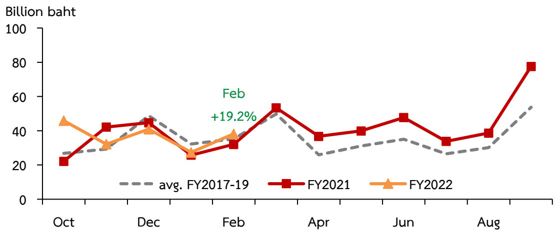
Billion baht	FY2021	FY2021				FY2022		
		Q1	Q2	Q3	Q4	Q1	Jan	Feb[P]
Revenue	2,441	618	488	642	694	531	237	132
(%YoY)	(4.3)	(-4.6)	(-9.4)	(19.1)	(12.7)	(-14.1)	(22.9)	(6.5)
Expenditure[1/]	3,131	953	665	700	814	974	200	169
(%YoY)	(2.0)	(19.7)	(-12.7)	(-11.2)	(12.2)	(2.3)	(-2.8)	(-6.7)
Budgetary B/L	-690	-334	-177	-58	-120	-443	37	-37
Non-Budgetary B/L	-768	-81	-267	-231	-189	-167	-58	-44
Cash B/L (CG)	-1,458	-416	-444	-289	-310	-610	-21	-81
Primary balance[2/]	-1,292	-350	-433	-217	-292	-533	-15	-77
Net Financing	1,475	317	322	398	438	358	87	96
Treasury B/L	589	473	351	460	589	337	404	419

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

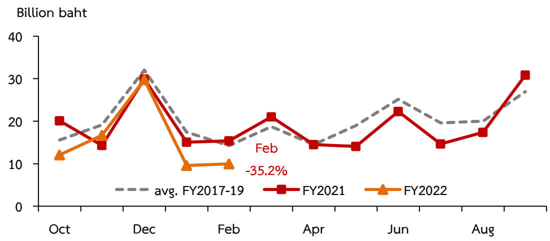
Central Government Current Expenditure (Excl. Subsidies/Grants and Other)



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



State Owned Enterprises Capital Expenditure



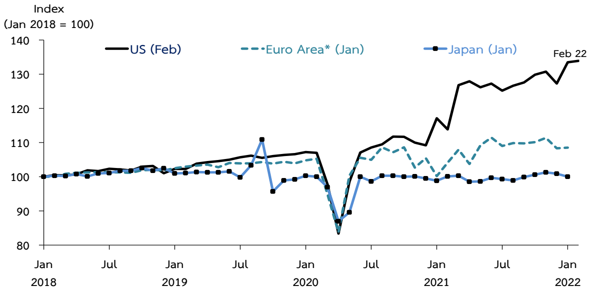
Source: Comptroller General's Department, Fiscal Policy Office and Bank of Thailand

2.3 The Global Economy and External Sector

Merchandise exports, after seasonal adjustment, increased from the previous month partly due to an improvement in trading partners' demand as well as rising export prices in many categories, following the upward development of the crude oil prices. Meanwhile, foreign tourist figures increased after the Test and Go program was resumed. The current account registered a smaller deficit as surplus in the trade balance became larger due to higher merchandised exports. In contrast, the service, income, and transfer account posted a higher deficit owing to higher investment income and intellectual property payments.

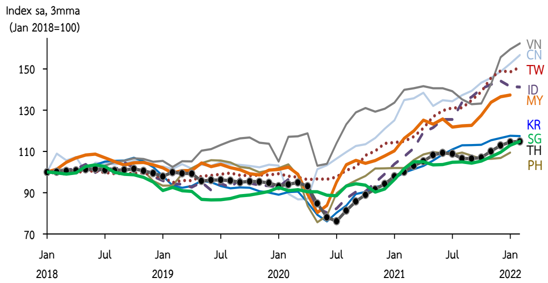
The global economy

G3 Retail Sales



Note: *Volume Index
Source: CEIC

Asian Export Performance



Note: Thai export excludes gold. Indonesian export excludes oil&gas. Hongkong domestic export. Singapore domestic export excludes oil.
Source: CEIC, Customs Department, calculated by Bank of Thailand

External sector

Export Value

Jan 2022 = 21.2 Bn USD (7.9%YoY) Feb 2022 = 23.4 Bn USD (7.9%YoY)

Ex. gold = 21.0 Bn USD (7.5%YoY) Ex. gold = 22.7 Bn USD (7.5%YoY)

%YoY	Share 2021	2021	2021				2022		
			H1	H2	Q3	Q4	Jan	Feb	Feb (%MoMsa)
Agriculture	7.2	27.5	23.2	32.3	43.4	21.8	-1.8	-9.2	-2.6
Fishery	0.6	8.8	2.9	14.4	16.9	12.1	18.5	12.3	-2.3
Manufacturing	89.6	23.1	24.2	22.1	22.2	21.9	8.2	14.5	1.1
Agro-manufacturing	13.6	12.9	15.3	10.7	10.5	10.8	10.7	14.3	2.2
Electronics	12.2	18.8	18.8	18.9	19.7	18.1	5.7	14.6	5.0
Electrical Appliances	9.5	19.9	27.3	13.2	14.5	12.0	7.0	14.1	0.8
Automotive	15.3	35.2	51.9	21.4	20.8	21.8	-12.0	2.2	1.4
Machinery & Equipment	8.2	19.0	27.0	12.2	17.0	7.9	2.7	7.9	1.7
Petroleum Related	12.7	43.4	34.3	52.3	55.9	48.9	25.7	21.3	4.9
Total (BOP Basis)	100.0	18.8	19.1	18.5	15.7	21.3	7.9	16.0	3.2
Ex. Gold		24.4	26.6	22.4	24.2	20.8	7.5	12.9	0.9
Ex. Gold & Petroleum Related		22.0	25.6	18.7	20.2	17.3	5.3	11.7	0.3

%MoM calculated from seasonally adjusted data, using data since 2018 (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

Jan 2022 = 20.6 Bn USD (18.4%YoY) Feb 2022 = 20.0 Bn USD (18.4%YoY)

Ex.Gold = 20.1 Bn USD (23.3%YoY) Ex.Gold = 19.0 Bn USD (23.3%YoY)

%YoY	Share 2021	2021	2021				2022		
			H1	H2	Q3	Q4	Jan	Feb	Feb (%MoMsa)
Consumer	12.5	19.2	19.7	18.7	17.0	20.3	14.4	5.9	-2.8
Raw material & Intermediate	64.5	36.7	27.5	46.1	52.6	40.3	29.5	25.3	10.1
o/w Fuel	14.1	49.3	15.9	88.7	68.0	110.0	34.3	85.5	58.3
o/w Raw mat & Interm ex. Fuel	50.4	33.6	30.7	36.4	48.8	25.5	28.5	10.4	-1.2
Capital	18.4	18.4	16.5	20.3	26.4	14.9	22.1	4.1	-4.6
Others	4.6	19.7	36.7	2.1	23.3	-10.7	-44.1	-3.6	73.7
Total (BOP Basis)	100.0	23.4	20.9	25.9	31.8	20.6	18.4	14.2	8.7
Ex. Gold		22.2	18.3	26.2	31.2	21.7	23.3	16.3	6.3
Ex.Gold&Fuel		17.9	18.7	17.0	25.4	9.6	21.7	4.9	-2.0

%MoM calculated from seasonally adjusted data, using data since 2018 (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

Net financial flows and balance of payments

Net Financial Flows

Millions of USD	2020P	2021P	2020P		2021P			
			H1	H2	Q1	Q2	Q3	Q4
1. Assets	-7,074	-20,659	2,098	-9,172	-7,016	-2,670	-4,916	-6,056
TDI	-19,002	-17,303	-10,684	-8,318	-3,288	-3,056	-3,865	-7,094
- Equity	-9,843	-7,381	-6,006	-3,837	-2,542	-888	-1,636	-2,315
- Reinvestment of earnings	-1,803	-3,159	-675	-1,129	-582	-884	-812	-881
Thai portfolio investment	-4,058	-16,503	3,006	-7,065	-10,136	-3,703	-48	-2,616
- Equity security investment	-12,005	-17,098	-991	-11,014	-10,401	-4,396	-541	-1,759
- Debt security investment	7,946	594	3,997	3,950	265	693	493	-857
Loans	-1,081	-553	-2,303	1,222	778	-303	-433	-596
Other investments	17,068	13,701	12,080	4,988	5,629	4,392	-571	4,250
- Trade credits	2,525	3,550	4,680	-2,155	296	2,408	1,069	-222
- Deposits abroad	9,372	5,472	4,866	4,506	3,840	1,997	-2,413	2,048
2. Liabilities	-4,917	18,520	-5,759	842	1,874	743	7,553	8,349
FDI	-4,845	11,422	2,366	-7,211	4,392	1,330	3,102	2,599
- Equity	-4,773	2,713	3,212	-7,985	1,312	514	926	-39
- Reinvestment of earnings	-283	6,971	-501	217	2,581	936	1,894	1,560
Foreign portfolio investment	-8,089	5,219	-8,771	681	438	-54	206	4,628
- Equity security investment	-8,019	-1,892	-6,657	-1,362	-620	-1,493	-285	506
- Debt security investment	-70	7,111	-2,114	2,044	1,058	1,439	492	4,122
Loans	12,276	1,854	3,094	9,182	-1,194	715	826	1,506
Other investments	-4,259	24	-2,449	-1,810	-1,762	-1,248	3,419	-384
- Trade credits	1,583	2,291	44	1,539	1,099	157	304	730
- Deposits abroad	530	-112	466	63	-726	3	382	228
Total financial flows (1+2)	-11,991	-2,140	-3,661	-8,330	-5,142	-1,927	2,636	2,293

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

Balance of Payments

Billion USD	2021P	2021P					2022P	
		H1	H2	Q3	Q4	Dec	JanE	FebE
Trade Balance	40.0	19.8	20.1	9.3	10.9	2.8	0.6	3.4
Exports (f.o.b.)	269.6	131.8	137.8	67.2	70.5	24.5	21.2	23.4
%YoY	18.8	19.1	18.5	15.7	21.3	23.0	7.9	16.0
Imports (f.o.b.)	229.6	112.0	117.7	58.0	59.7	21.7	20.6	20.0
%YoY	23.4	20.9	25.9	31.8	20.6	28.2	18.4	14.2
Net Services, Income & Transfers	-50.5	-23.5	-27.0	-14.4	-12.6	-4.4	-2.8	-4.0
Current Account	-10.6	-3.7	-6.9	-5.2	-1.7	-1.6	-2.2	-0.7
Capital and Financial Account	-2.1	-7.1	4.9	2.6	2.3	0.7		
Overall Balance	-7.1	-8.5	1.4	0.0	1.4	2.3	-1.6	2.8

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

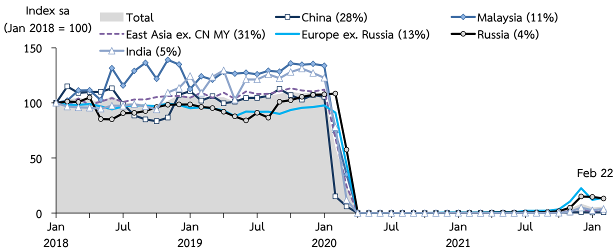
Foreign tourist arrivals

Inbound Tourists by Country of Origin

Thousand persons (Share in 2019)	2021	2021				2022	
		H1	H2	Q3	Q4	Jan	FebP
China (27.9%)	13.0	3.0	10.1	2.7	7.3	3.1	4.9
Malaysia (10.7%)	5.5	0.8	4.7	0.6	4.0	1.1	2.1
Asia ex. China & Malaysia (30.7%)	54.9	8.3	46.6	6.1	40.5	13.0	17.5
Russia (3.7%)	30.8	1.7	29.1	0.8	28.3	23.8	17.9
Europe ex. Russia (12.6%)	220.2	15.5	204.7	19.1	185.6	70.3	77.6
India (4.9%)	6.5	0.3	6.2	0.4	5.8	2.1	2.6
US (2.8%)	37.9	5.3	32.6	5.9	26.7	7.3	8.2
Others (6.6%)	59.1	5.6	53.5	9.6	43.8	13.2	22.1
Total (%YoY)	414.8 (-93.6)	40.4 (-99.4)	387.4 (3,479.9)	45.4 (n.a.)	342.0 (3,060.5)	133.9 (1640.4)	153.0 (2564.2)

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 and net loans extended to the household sector increased from the previous month. On exchange rates, the baht against the US dollar and the NEER were, on average, appreciated from the previous month due to improving market sentiment after the Test and Go program was resumed with additional appreciating pressure coming from gold-selling transactions during periods of rising gold prices.

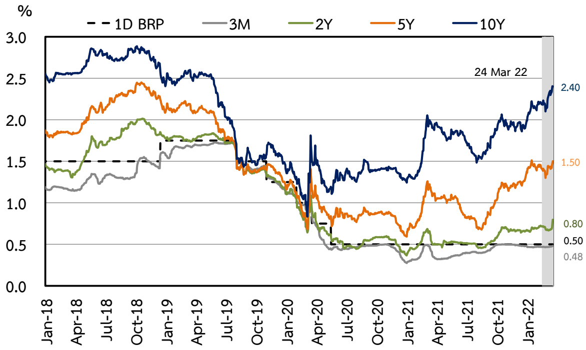
Interest rates

Commercial Bank Interest Rates*

% p.a.	2020	2021				2022	
		Q1	Q2	Q3	Q4	Feb	24 Mar
12-month deposit rate							
Average of 6 largest Thai banks**	0.49	0.44	0.42	0.45	0.45	0.45	0.45
Average of other Thai banks	0.89	0.89	0.81	0.91	0.89	0.89	0.87
Average of foreign branches and subsidiary	0.56	0.56	0.54	0.53	0.53	0.53	0.53
MLR							
Average of 6 largest Thai banks	5.36	5.36	5.36	5.49	5.49	5.49	5.49
Average of other Thai banks	6.69	6.59	6.59	6.71	6.71	6.71	6.71
Average of foreign branches and subsidiary	6.84	6.79	6.79	6.79	6.79	6.79	6.79
MRR							
Average of 6 largest Thai banks	6.00	6.00	6.04	6.08	6.08	6.08	6.08
Average of other Thai banks	7.09	7.09	7.09	7.32	7.32	7.32	7.32
Average of foreign branches and subsidiary	7.93	7.93	7.91	7.91	7.91	7.91	7.91

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

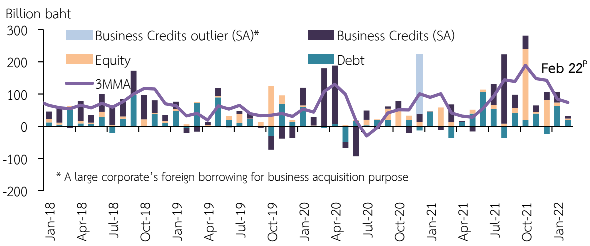
Government Bond Yields



Sources: Bank of Thailand and ThaiBMA

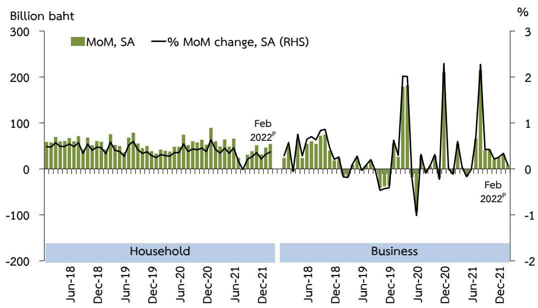
Corporate financing

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

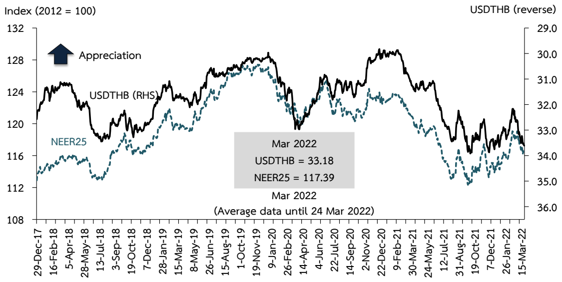
Net Changes in Outstanding Loans



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

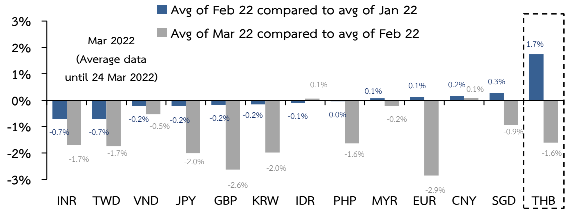
Exchange rates

Exchange Rates



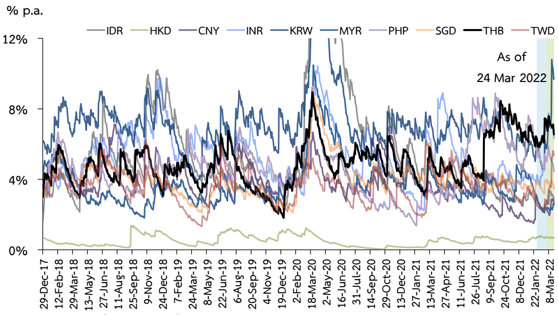
Note: Monthly average rate
Sources: Refinitiv, calculated by Bank of Thailand

Exchange Rate Movement



Note: Avg-period data, + = Appreciation against USD
Sources: Refinitiv, calculated by Bank of Thailand

Regional Exchange Rate Volatility



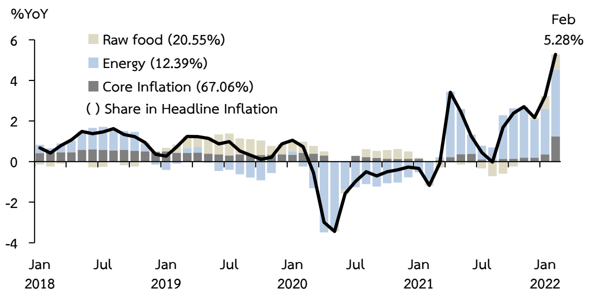
Sources: Refinitiv, Bank of Thailand

2.5 Financial Stability

Headline inflation continued to increase, especially energy inflation. Core inflation accelerated from the previous month due to higher prepared food prices. Labor market gradually improved but remained vulnerable. External stability at the end of the 4th quarter of 2021 remained resilient with sufficient cushion against global financial market volatility. The performance of listed companies in the 4th quarter of 2021 had slightly decreased, especially in the manufacturing and energy sectors due to increased production costs.

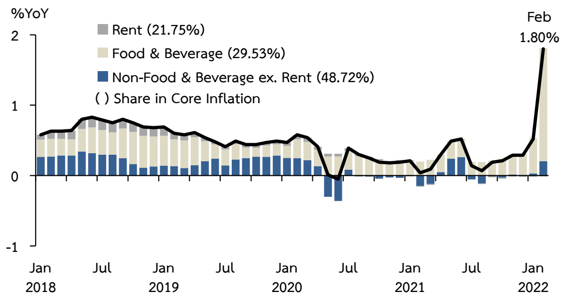
Inflation

Headline Inflation Contribution



Sources: Ministry of Commerce calculated by Bank of Thailand

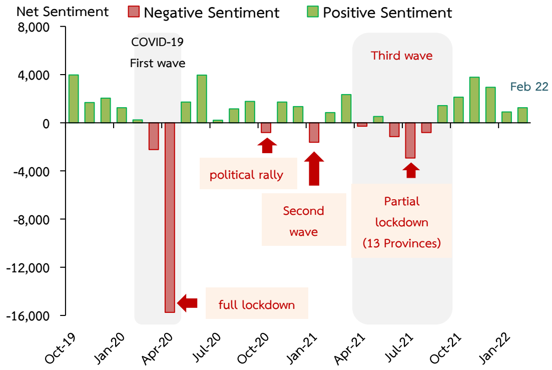
Core Inflation Contribution



Sources: Ministry of Commerce calculated by Bank of Thailand

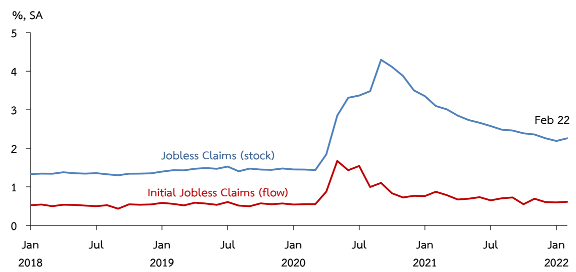
Labor market

Social Listening of Self-employed



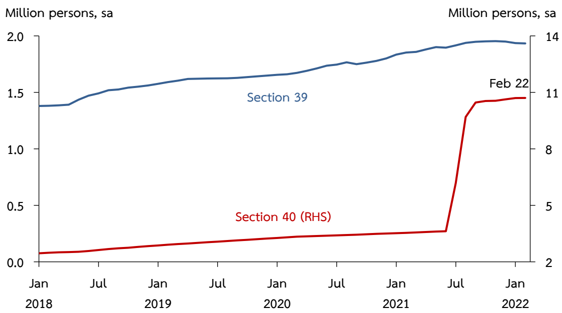
Note: The index is calculated based on the number of Positive Posts minus the number of Negative Posts, which can reflect the direction of self-employed activities quite well. However, it may not reflect the size of the change. In addition, the index is quite sensitive to other issues such as the number of coronavirus cases, politics, government measures, which makes the data quite volatile at times.

Total Contributors in Section 39* and 40**



Note: * Employees who contribute to social security system (Section 33) account for 31% of total employment.
Source: Social Security office, calculated by Bank of Thailand

Ratio of Jobless Claims in the Social Security System to Total Insured Persons*



Note: * Section 39 refers to former-employees who remain in the social security
** Section 40 refers to self-employed who apply for social security
Source: Social Security office, calculated by Bank of Thailand

External stability

External Debt Outstanding

Billion USD	2019	2020P	2021P	2021P Q1	Q2	Q3	Q4	Change Q4 2021 -Q3 2021
1. General government	34.2	33.9	33.6	31.5	33.5	32.0	33.6	1.7
2. Central Bank*	3.8	3.4	7.9	2.2	2.0	6.5	7.9	1.4
3. Other Depository Corporations (ODC)	37.7	39.0	40.7	36.7	37.5	37.9	40.7	2.8
4. Other Sectors	96.2	114.5	115.5	116.1	114.1	113.6	115.5	1.9
- Other Financial Corporations (OFC)	19.8	23.4	23.5	23.2	23.5	23.2	23.5	0.2
- Non Financial Corporations (NFC)	76.4	91.0	92.0	93.0	90.6	90.4	92.0	1.6
O/W Foreign Trade Credit	23.5	25.0	27.4	26.4	26.6	26.7	27.4	0.7
5. Total	171.9	190.7	197.7	186.5	187.1	190.0	197.7	7.8
Short-term (%)	34.8	39.2	37.5	38.7	38.2	37.7	37.5	
Long-term (%)	65.2	60.8	62.5	61.3	61.8	62.3	62.5	

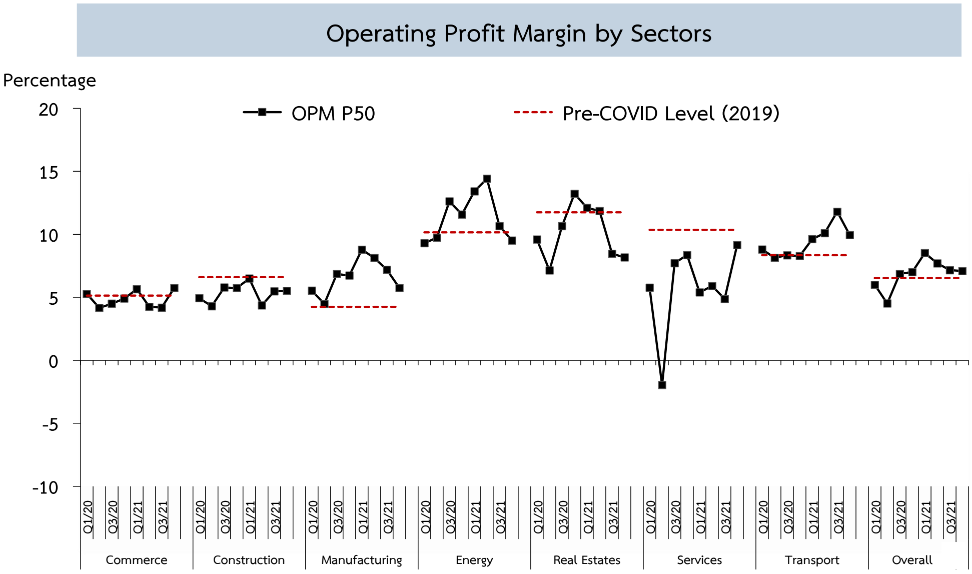
Note: *including BOT bonds held by non-residents and SDRs allocations by IMF
Source : Bank of Thailand P=Preliminary data E=Estimated data

External Stability Indicators

	Criteria	2019	2020P	2021P	2021P Q1	Q2	Q3	Q4
Solvency Indicators								
Current Account / GDP (%)	> -2	7.0	4.2	-2.1	-0.9	-2.0	-4.4	-1.3
Debt / GDP (%)1/	< 80 3/	34.2	36.9	38.2	35.9	36.1	36.7	38.2
Debt / XGS2/ (%)	< 220 3/	53.9	62.8	67.7	62.5	63.1	64.7	67.7
Debt Service Ratio (%)	< 20	6.7	7.5	6.2	7.2	5.3	6.7	5.6
Liquidity Indicators								
Gross Reserves / ST Debt4/	> 1 time	3.1	3.0	2.7	2.8	2.9	2.8	2.7
Gross Reserves / Imports5/	> 3 times	9.9	13.4	10.0	12.5	11.5	10.5	10.0
ST Debt / Total Debt (%)		34.8	39.2	37.5	38.7	38.2	37.7	37.5

Note: 1/ Calculation follows the World Bank's methodology, using 3-year (i.e., 12 quarters) moving average of GDP
2/ XGS – Export of Goods and Services (3-year average)
3/ Severely indebted countries
4/ ST Debt based on remaining maturity
5/ Monthly Import of Goods and Services (1-year average)
Source : Bank of Thailand P=Preliminary data E=Estimated data

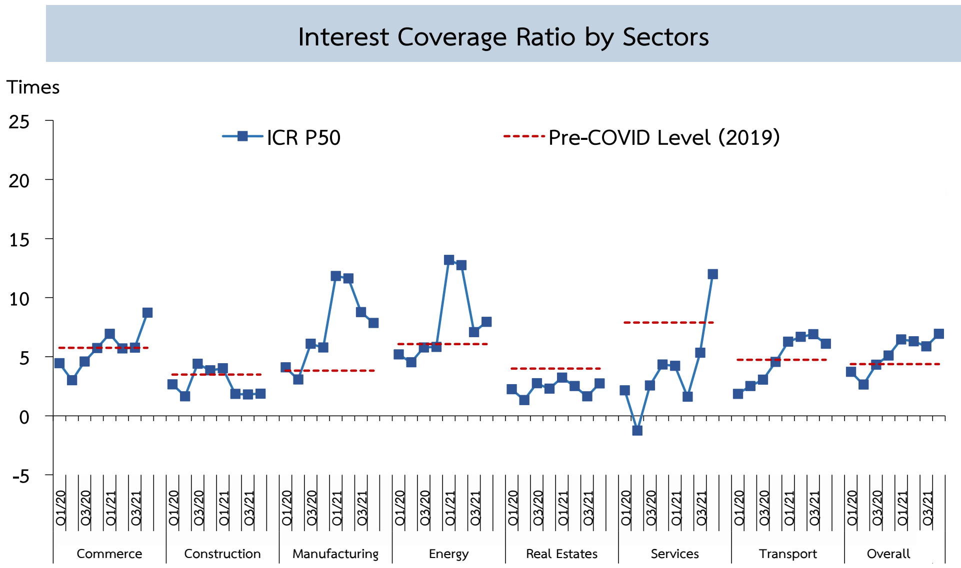
Stability and financial condition of corporate sector (4Q 2021)



Note: 50th percentile. Manufacturing excludes petroleum and petrochemical. Services include hotel, education and hospital. Energy includes petroleum and related products, and power.

OPM is calculated by (total revenue – cost of goods sold – operating costs) / total revenue

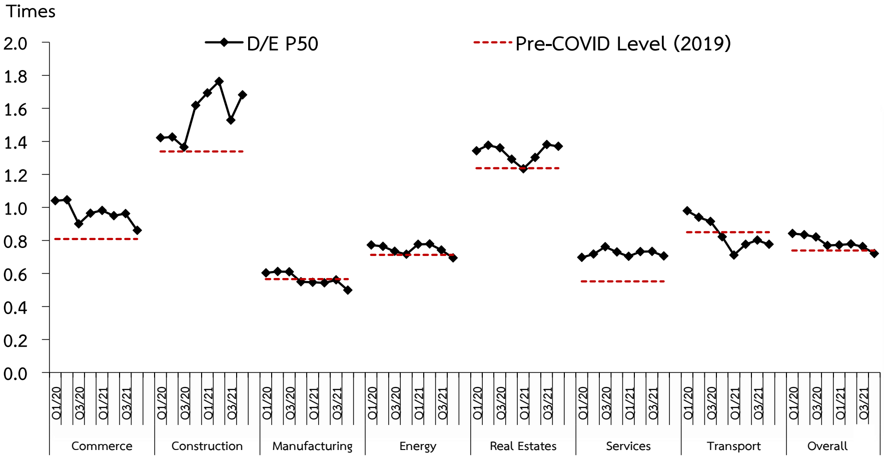
Source: Stock Exchange of Thailand; calculation by Bank of Thailand



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

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