BANK OF THAILAND

Economic and Monetary Conditions

August 2022

Monetary Policy Group

September 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

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1. Executive Summary

In August 2022, the Thai economy continued to recover. Private consumption indicators remained close to the previous month while private investment indicators increased in line with manufacturing production. Foreign tourists continued to increase along with public spending which expanded from higher current and capital expenditure. Nevertheless, merchandise exports declined on the back of softened external demand and were additionally affected by temporary supply-side factors.

On the economic stability front, headline inflation slightly rose from the previous month, mainly from fresh food and core inflation. Meanwhile energy inflation slowed down in tandem with global crude oil prices. Labor market gradually improved in line with the economic recovery. The current account registered a lower deficit due to improved net service, income, and transfers balance, while trade balance registered a larger deficit mainly from higher import of fuel.

Details of the economic conditions are as follows:

Private consumption indicators, after seasonal adjustment, remained close to the previous month thanks to increased spending in almost all categories except the non-durable goods. Several fundamental factors supporting household consumption gradually improved especially employment and consumer confidence. However, the elevated living costs still weighed down on consumption.

Private investment indicators, after seasonal adjustment, improved from the previous month. Investment in machinery and equipment increased from import of capital and higher registration of commercial vehicle. Investment in construction gradually improved as reflected by increases in construction materials and permitted areas for construction, especially for dwelling and manufacturing purposes.

Manufacturing production, after seasonal adjustment, increased from the previous month in several categories especially the automotives as producers continued to receive production parts. Additionally, production in food and beverage increased due to higher domestic demand and continued recovery in the tourism sector. Nevertheless, manufacturing production declined in some categories, including production in chemical products as well as rubber and plastic.

The number of foreign tourist arrivals, after seasonal adjustment, slightly increased from the previous month in almost all nationalities thanks to the continued relaxation of international travel restrictions.

Public spending, excluding transfer payment, expanded from the same period last year from expansion in both the current and capital expenditure of the central government. Capital expenditure of state-owned enterprises also expanded mainly from investment in energy related projects.

The value of merchandise exports, excluding gold and after seasonal adjustment, decreased from the previous month in line with the slowdown in trading partners' demand, especially to China which saw the exports of agro-manufacturing products and metals fell noticeably. In addition, declining export of petroleum products was observed due to a temporary supply side factor related to inventory management, while export of agricultural products was also temporary affected by unfavorable weather conditions. Nonetheless, some exports categories performed well which included electronics, electrical appliances and automotives.

The value of merchandise imports, excluding gold and after seasonal adjustment, improved from the previous month. This was due to higher import of fuel, both crude oil and natural gas, as well as import of consumer goods, especially durable goods. Nevertheless, other raw materials and intermediate goods decreased after accelerating in the preceding month.

On the stability front, headline inflation slightly rose from the previous month mainly due to fresh food inflation, which was driven by higher vegetable and fruit prices. In addition, core inflation increased from both food and non-food items. Meanwhile energy inflation slowed down in tandem with global crude oil prices. Labor market gradually improved in line with the economic development as reflected by increases in number of total contributors in the social security system. The current account registered a lower deficit due to improved net service, income, and transfers balance, while the trade balance registered a larger deficit mainly from higher import of fuel. On exchange rates, the baht against the US dollar appreciated as markets, in August, expected a less tightening monetary policy stance from the US Federal Reserve with a better recovery prospect on tourism sector in Thailand.

2.1 Supply

Farm income expanded from the same period last year due to higher agricultural prices. Moreover, manufacturing production increased from the previous month, especially the production in automotive and motorcycles, as shortages of electronic parts gradually being resolved. Meanwhile, economic activities in the service sector increased mainly from improving activities in trading and logistics businesses.

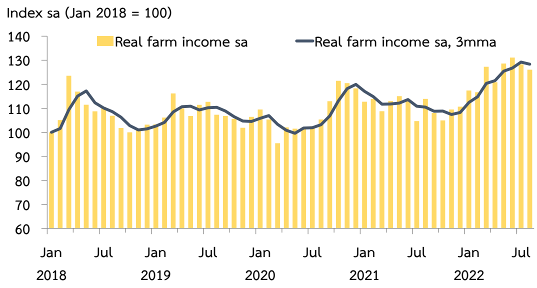
Agricultural sector

Nominal Farm Income

(%YoY)	2021	2021		2022				
		H1	H2	H1	Q1	Q2	Jul	Aug
Nominal farm income[P]	3.5	11.6	-4.2	12.9	10.1	15.7	18.9	18.6
Agricultural production[P]	0.5	0.8	0.3	5.3	5.3	5.1	0.8	-3.7
Agricultural price	3.0	10.8	-4.5	7.3	4.5	10.1	18.0	23.2

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

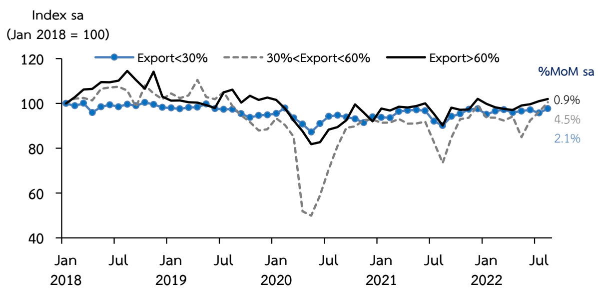
Manufacturing sector

Manufacturing Production Index

(%YoY)	Share 2016[R]	2021	2021		2022					
			H1	H2	H1	Q1	Q2	Jul	Aug[P]	%MoM sa
Food & Beverages	20.3	2.5	4.1	0.8	0.8	3.6	-2.4	5.5	13.0	3.2
Automotives	13.8	19.0	40.5	3.0	2.6	3.5	1.6	22.4	61.6	8.6
- Passenger Cars	4.7	13.6	29.8	1.4	-14.2	-17.7	-9.8	-4.8	32.5	12.9
- Commercial Vehicles	7.2	19.8	43.3	2.3	10.9	13.9	7.3	45.7	89.5	10.6
- Engine	1.3	34.7	58.1	17.8	11.2	15.8	5.8	26.0	48.4	2.2
Petroleum	9.5	-2.1	-5.9	1.8	14.5	14.3	14.6	13.0	17.6	1.8
Chemicals	9.1	2.5	1.5	3.6	-0.9	0.4	-2.1	-0.6	0.4	-2.3
Rubbers & Plastics	8.8	6.2	7.8	4.6	1.3	-0.1	2.8	5.1	4.6	-1.2
Cement & Construction	5.5	-0.4	1.5	-2.4	0.1	-1.0	1.2	14.7	8.9	-1.5
IC & Semiconductors	5.5	15.5	15.9	15.0	6.6	8.5	4.8	9.5	15.6	1.1
Electrical Appliances	3.8	8.4	20.0	-3.7	-3.7	-5.9	-1.4	7.8	28.5	4.9
Textiles & Apparels	3.5	-5.9	-11.3	0.6	-0.3	-0.3	-0.4	13.8	13.2	-2.5
Hard Disk Drive	3.4	0.8	10.1	-7.5	-21.4	-13.2	-29.6	-29.4	-31.9	-1.3
Others	16.7	10.1	17.5	3.2	-4.2	-3.1	-5.3	0.3	9.0	3.3
MPI	100	5.8	9.5	2.2	0.5	1.6	-0.8	6.4	14.5	2.4
MPI sa Δ% from last period	100	-	4.3	-2.1	2.6	-0.9	-0.6	0.7	2.4	-
Capacity Utilization (SA)	-	63.0	63.9	62.1	63.2	63.6	62.9	63.8	65.5	-

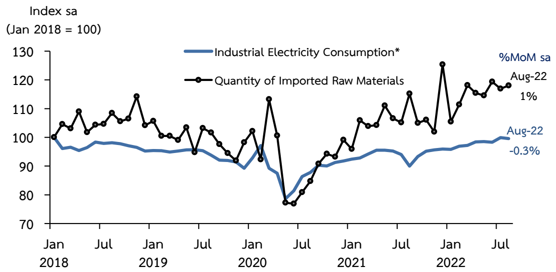
Note: the new MPI series as adjusted by the OIE (coverage and base year at 2016)
R = 2021 Revision P = Preliminary data
Source: Office of Industrial Economics and seasonally adjusted by Bank of Thailand
Production index of petroleum does not include the production of diesel B10 and B20

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)

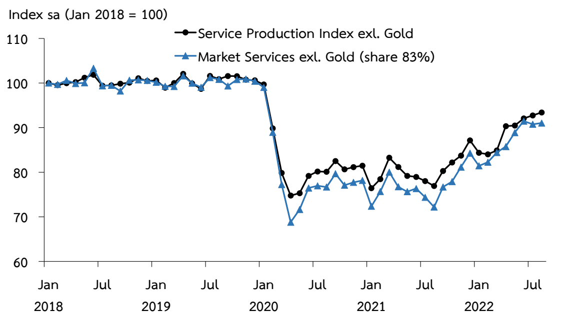
(%)	Share 2016[R]	2021	2021			2022			
			Q2	Q3	Q4	Q1	Q2	Jul	Aug
Food & Beverages	20.3	53.6	55.2	52.0	54.5	54.3	54.1	54.7	55.9
Automotives	13.8	67.9	68.6	57.8	73.1	73.3	70.9	76.5	83.5
Petroleum	9.5	80.7	81.8	77.6	84.5	84.8	85.0	85.6	86.2
Chemicals	9.1	74.5	74.6	74.5	74.4	73.6	71.7	72.6	72.0
Rubbers & Plastics	8.8	50.4	50.9	49.4	50.6	49.1	50.2	50.0	48.7
Construction & Non-metal	5.5	60.7	62.5	57.8	61.2	61.3	61.5	62.5	62.3
IC & Semiconductors	5.5	78.5	80.6	78.2	77.5	78.3	78.0	78.4	82.9
Electrical Appliances	3.8	63.3	64.9	60.8	63.8	60.8	62.8	66.5	68.6
Textiles & Apparels	3.5	41.1	41.1	37.6	42.8	41.1	41.3	42.8	41.5
Hard Disk Drive	3.4	79.5	84.1	77.2	76.0	72.2	64.1	58.7	59.9
Others	16.7	57.5	59.7	54.4	57.4	56.4	56.1	54.5	56.5
CAPU sa	100.0	63.0	64.4	59.9	64.2	63.6	62.9	63.8	65.5

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

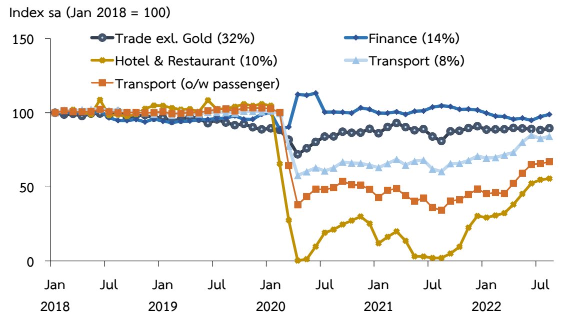
Service sector

Service Production Index (SPI)



Note : Latest data estimated by Bank of Thailand
Market Services excluding gold covered all service sectors' economic activities except 1) Public Administration and Defence, Compulsory Social Security, 2) Education, 3) Health and Social Work, and 4) Gold trading activities.
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

Table of Service Production Index (SPI) by Sector

(%YoY)	Share (2016)	2021	2021		2022					
			H1	H2	H1	Q1	Q2	Jul	Aug[P]	%MoM sa
Trade exl Gold	32.2	5.2	10.1	0.7	-0.5	-1.3	0.3	5.3	10.6	1.3
Transportation	7.7	-6.7	-13.5	1.4	12.8	6.8	19.0	33.2	39.4	1.8
(o/w) Goods	5.2	16.2	17.3	15.2	11.2	12.2	10.1	12.0	19.0	3.0
(o/w) Passenger	2.5	-27.1	-33.3	-18.8	17.0	-1.8	38.9	82.4	95.3	1.9
Hotel & Restaurant	10.3	-60.7	-68.7	-48.7	219.0	92.8	559.8	2,599.2	2,671.9	1.4
Finance	14.0	0.7	-0.6	2.1	-3.2	-1.7	-4.8	-6.3	-5.6	1.7
Non-Market Services	17.0	1.6	1.1	2.0	-0.3	-4.6	4.1	5.5	2.9	2.2
SPI	100.0	0.0	-3.4	3.6	10.8	8.8	12.9	15.0	16.8	1.6
SPI exl Gold	100.0	-1.0	-3.4	1.4	10.1	6.4	14.0	18.9	21.4	0.7

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

2.2 Domestic Demand

Private consumption indicators remained close to the previous month. Private investment indicators picked up as economic activities continued to recover, which was in line with improving production in the manufacturing sector. Public spending grew from the same period last year thanks to the expansion in both current and capital expenditure.

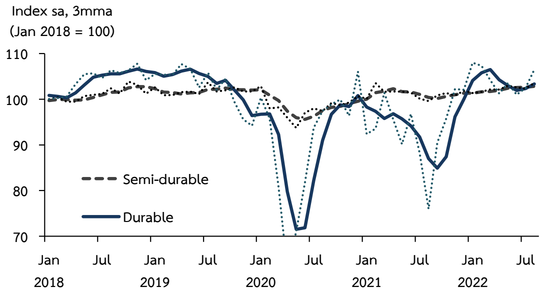
Private Consumption

Private Consumption Indicators

%YoY	2021	2021		2022					
		H1	H2	H1	Q1	Q2	Jul	Aug[P]	%MoM sa
Non-durables index	-4.6	-2.1	-7.1	0.0	-2.3	2.4	7.2	7.8	-0.6
Semi-durables index	2.9	4.1	1.9	0.5	0.0	1.0	2.2	3.8	1.2
Durables index	1.0	13.0	-8.7	6.7	7.9	5.4	13.6	41.5	3.9
Services index	-3.7	-7.4	0.1	18.4	13.8	23.1	32.8	36.8	1.3
(less) Net tourist expenditure	-88.5	-94.9	272.4	488.8	628.4	400.0	218.8	476.9	23.1
PCI	-0.8	2.1	-3.6	7.1	4.1	10.3	14.4	16.6	0.0

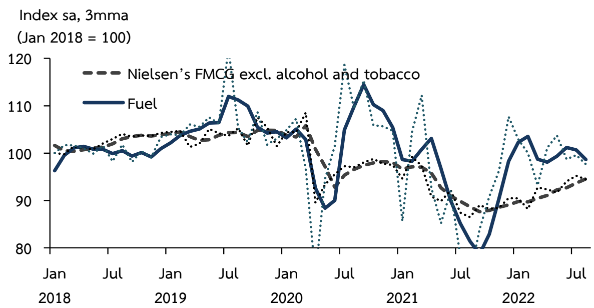
Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data
Source: Bank of Thailand

Durable and Semi-durable Indices



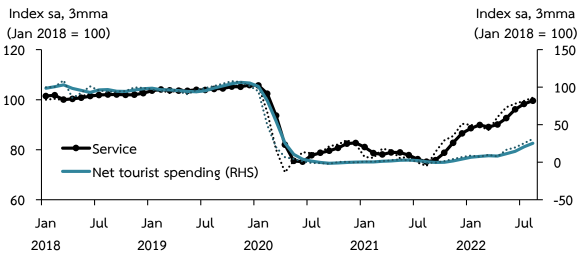
Source: Bank of Thailand

Nielsen's FMCG Index & Fuel Index



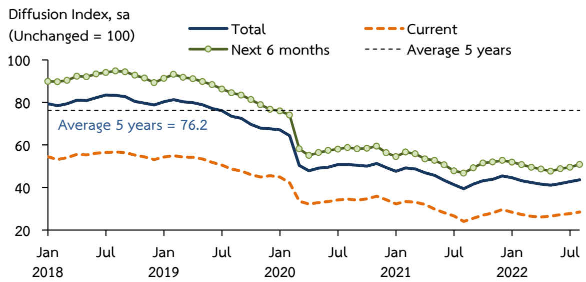
Source: The Nielsen company and Department of Energy Business, calculated by Bank of Thailand

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

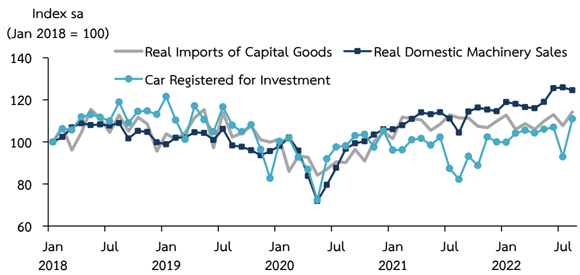
Private Investment Indicators

% YoY	2021	2021		2022					
		H1	H2	H1	Q1	Q2	Jul	AugP	%MoM
Permitted Construction Area (9mma)	-9.3	-8.3	-10.3	5.5	-0.3	11.5	17.5	17.3	0.8
Construction Materials Index	-2.3	0.1	-4.8	-0.2	-2.8	2.6	18.1	9.9	2.4
Real Imports of Capital Goods	16.7	18.6	14.9	1.3	1.3	1.4	-4.6	2.6	6.1
Real Domestic Machinery Sales	19.2	24.8	14.0	7.2	8.8	5.4	12.9	19.2	-1.1
Newly Registered Motor Vehicles for Investment	0.2	9.0	-8.6	5.3	5.5	5.0	5.9	34.6	19.4
Private Investment Index	9.3	12.7	6.3	3.6	3.8	3.4	5.1	9.7	1.9

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

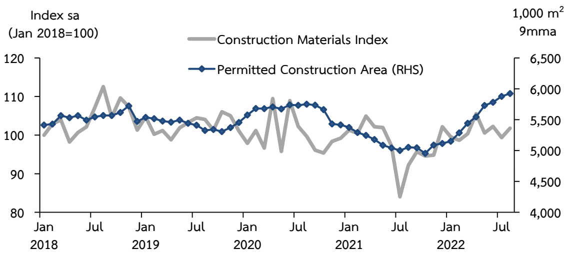
Source: Bank of Thailand

Investment in Machinery and Equipment



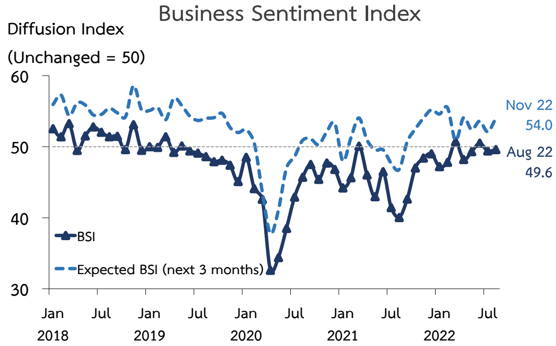
Note: All data is in real terms.
Source: Department of Land Transport, Customs Department, Revenue Department, calculated by Bank of Thailand

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

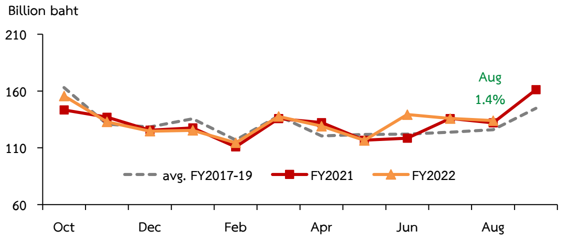
Fiscal position and public expenditure

Fiscal Position (Cash Basis)

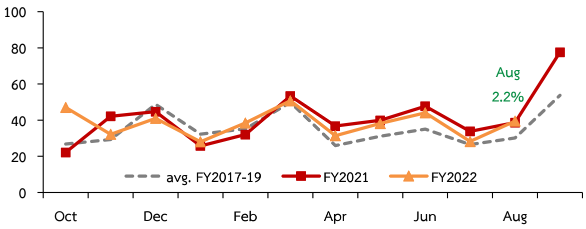
Billion baht	FY2021	FY2021				FY2022				
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Jul	Aug[P]
Revenue	2,441	618	488	642	694	533	572	787	142	206
(%YoY)	(4.3)	(-4.6)	(-9.4)	(19.1)	(12.7)	(-13.8)	(17.3)	(22.7)	(-36.9)	(17.8)
Expenditure[1/]	3,131	953	665	700	814	974	663	712	256	201
(%YoY)	(2.0)	(19.7)	(-12.7)	(-11.2)	(12.2)	(2.3)	(-0.3)	(1.8)	(-2.9)	(-19.5)
Budgetary B/L	-690	-334	-177	-58	-120	-442	-91	75	-115	5
Non-Budgetary B/L	-768	-81	-267	-231	-189	-168	-164	-23	-32	-33
Cash B/L (CG)	-1,458	-416	-444	-289	-310	-610	-254	53	-147	-28
Primary balance[2/]	-1,292	-350	-433	-217	-292	-533	-237	133	-144	-25
Net Financing	1,475	317	322	398	438	358	278	175	61	65
Treasury B/L	589	473	351	460	589	337	361	588	502	539

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

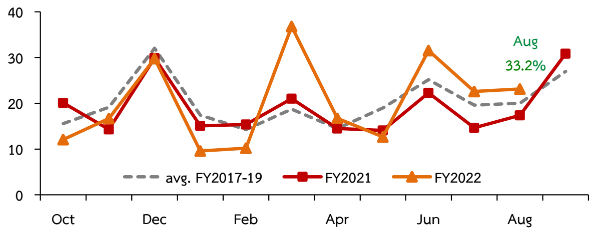
Central Government Current Expenditure (Excl. Subsidies/Grants and Other)



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



State Owned Enterprises Capital Expenditure



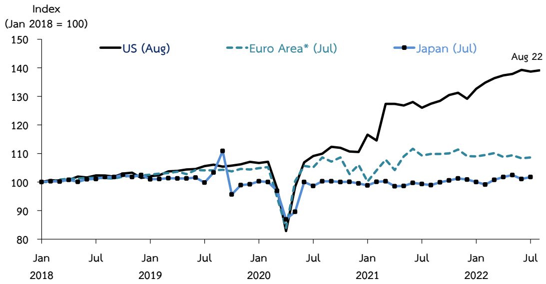
Source: Comptroller General's Department, Fiscal Policy Office and Bank of Thailand

2.3 The Global Economy and External Sector

The value of merchandise exports, after seasonal adjustment, continued to decline from the previous month on the back of softened external demand and were additionally affected by temporary supply-side factors. Foreign tourist figures continued to increase thanks to the continued relaxation of international travel restrictions earlier. The current account registered a lower deficit with improvement in the net service, income, and transfers balance due to lower remittance of profits and dividends by foreign businesses.

The global economy

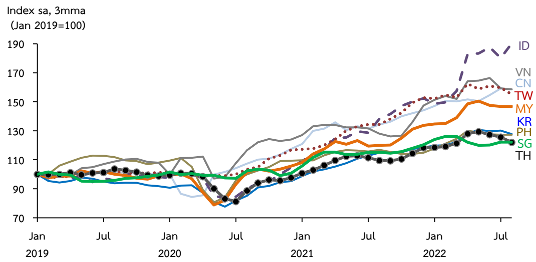
G3 Retail Sales



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

Jul 2022 = 23.4 Bn USD (3.4%YoY) Aug 2022 = 23.6 Bn USD (8.2%YoY)

Ex Gold = 22.9 Bn USD (3.8%YoY) Ex Gold = 23.2 Bn USD (8.1%YoY)

%YoY	Share 2021	2021	2021		2022					
			H1	H2	H1	Q1	Q2	Jul	Aug	Aug (%MoMsa)
Agriculture	7.2	28.1	23.4	33.3	8.1	-3.0	16.2	-6.8	-23.3	-18.7
Fishery	0.6	8.8	3.0	14.5	2.9	14.1	-5.7	-3.7	6.2	1.9
Manufacturing	89.6	23.5	24.4	22.6	10.5	10.7	10.3	5.9	10.2	-3.9
Agro-manufacturing	13.6	13.2	15.3	11.1	11.8	10.3	13.3	18.5	18.6	-8.5
Electronics	12.1	18.9	19.0	18.9	9.3	17.0	2.5	-12.6	4.7	7.4
Electrical Appliances	9.4	19.9	27.3	13.1	3.5	7.8	-0.8	0.8	17.2	3.2
Automotive	15.3	35.7	51.9	22.3	-4.7	-5.6	-3.6	-0.6	17.8	2.4
Machinery & Equipment	8.2	20.1	27.3	13.8	6.3	5.6	7.0	9.3	19.4	0.4
Petroleum Related	12.7	43.8	34.3	53.0	35.7	29.0	41.5	28.2	10.1	-16.0
Total (BOP Basis)	100.0	19.2	19.2	19.2	12.0	14.4	9.7	3.4	8.2	-3.9
Ex. Gold		24.9	26.7	23.2	9.8	9.6	9.9	3.8	8.1	-3.9
Ex. Gold & Petroleum Related		22.5	25.7	19.5	6.2	7.1	5.3	0.1	7.8	-2.0

%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

Jul 2022 = 23.8 Bn USD (25.3%YoY) Aug 2022 = 24.7 Bn USD (23.8%YoY)

Ex Gold = 22.1 Bn USD (17.7%YoY) Ex Gold = 23.5 Bn USD (20.3%YoY)

%YoY	Share 2021	2021	2021		2022					
			H1	H2	H1	Q1	Q2	Jul	Aug	Aug (%MoMsa)
Consumer	12.6	19.2	19.7	18.7	8.3	9.2	7.5	-0.3	16.6	1.5
Raw material & Intermediate	64.4	36.2	27.5	45.0	30.1	30.9	29.5	25.0	22.0	-0.2
o/w Fuel	13.9	46.9	15.9	83.5	96.5	91.2	101.0	84.2	81.8	7.3
o/w Raw mat & Interm ex. Fuel	50.5	33.5	30.7	36.2	14.0	16.8	11.6	9.8	5.9	-3.4
Capital	18.4	18.4	16.6	20.2	8.4	9.6	7.2	-1.0	4.4	-3.5
Others	4.6	19.7	36.7	2.1	-13.3	-42.1	51.9	298.3	123.0	-28.3
Total (BOP Basis)	100.0	23.9	20.5	27.3	19.4	16.3	22.4	25.3	23.8	-1.6
Ex. Gold		22.8	17.9	27.7	21.1	21.4	20.9	17.7	20.3	0.8
Ex.Gold&Fuel		19.2	18.3	20.1	8.9	10.7	7.2	6.0	8.9	-1.1

%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

Balance of payments

Net Financial Flows

Millions of USD	2021^P	2021^P H1	2021^P H2	2022^P H1	2022^P Q1	2022^P Q2
1. Assets	-27,102	-13,247	-13,856	-7,082	-5,709	-1,374
TDI	-19,152	-6,543	-12,609	-4,671	-3,723	-948
- Equity	-7,613	-3,624	-3,989	-3,838	-1,378	-2,460
- Reinvestment of earnings	-3,429	-1,601	-1,828	-1,184	-420	-764
Thai portfolio investment	-16,831	-14,175	-2,656	-274	-1,290	1,016
- Equity security investment	-16,591	-14,493	-2,097	1,128	-399	1,527
- Debt security investment	-240	319	-559	-1,402	-891	-511
Loans	-613	476	-1,088	-3,090	-1,259	-1,831
Other investments	9,493	6,996	2,497	954	564	390
- Trade credits	468	3,830	-3,362	-520	-70	-450
- Deposits abroad	4,306	1,684	2,622	-1,931	-1,546	-385
2. Liabilities	21,123	3,875	17,248	11,712	9,447	2,265
FDI	14,641	7,453	7,188	6,447	5,687	760
- Equity	4,924	2,960	1,964	2,878	2,112	766
- Reinvestment of earnings	7,168	3,526	3,642	2,727	3,391	-665
Foreign portfolio investment	4,937	382	4,556	4,736	3,940	797
- Equity security investment	-1,891	-2,113	221	4,193	3,208	985
- Debt security investment	6,828	2,494	4,334	544	732	-188
Loans	1,868	-459	2,327	-361	-286	-74
Other investments	-323	-3,501	3,178	889	106	783
- Trade credits	1,944	766	1,178	2,840	1,111	1,730
- Deposits abroad	-112	-723	611	1,040	175	866
Total financial flows (1+2)	-5,980	-9,372	3,392	4,630	3,738	891

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

Balance of Payments

Billion USD	2021^P	2021^P H1	2021^P H2	2022^P H1	2022^P Q1	2022^P Q2	2022^P Jul^E	2022^P Aug^E	2022^P YTD
Trade Balance	39.9	20.3	19.6	14.5	9.3	5.2	-0.4	-1.0	13.0
Exports (f.o.b.)	270.6	131.9	138.6	147.8	73.3	74.5	23.4	23.6	194.8
%YoY	19.2	19.2	19.2	12.0	14.4	9.7	3.4	8.2	10.5
Imports (f.o.b.)	230.7	111.7	119.0	133.4	64.0	69.4	23.8	24.7	181.8
%YoY	23.9	20.5	27.3	19.4	16.3	22.4	25.3	23.8	20.7
Net Services, Income & Transfers	-50.2	-24.6	-25.6	-25.1	-11.9	-13.3	-3.8	-2.5	-31.3
Current Account	-10.3	-4.3	-6.0	-10.7	-2.6	-8.1	-4.2	-3.5	-18.3
Capital and Financial Account	-6.0	-9.4	3.4	4.6	3.7	0.9			
Overall Balance	-7.1	-8.5	1.4	-7.4	2.0	-9.3	-2.6	0.4	-9.6

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

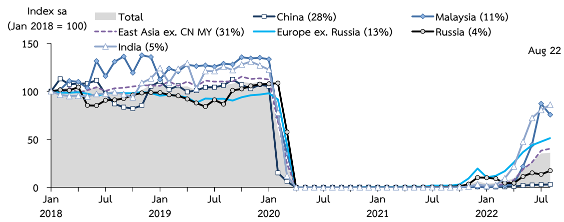
Foreign tourist arrivals

Inbound Tourists by Country of Origin

Thousand persons (Share in 2019)	2019 (Pre-COVID)	2021	2021 H1	2021 H2	2022 H1	2022 Q1	2022 Q2	2022 Jul	2022 Aug^P
China (27.9%)	11,138.7	13.0	3.0	10.1	57.4	13.7	43.7	27.2	30.0
Malaysia (10.7%)	4,274.5	5.5	0.8	4.7	200.6	7.8	192.9	220.6	221.2
Asia ex. China & Malaysia (30.7%)	12,256.8	54.9	8.3	46.6	546.5	64.2	482.3	381.2	425.7
Russia (3.7%)	1,481.8	30.8	1.7	29.1	71.4	50.8	20.6	6.9	9.2
Europe ex. Russia (12.6%)	5,049.4	220.2	15.5	204.7	552.3	238.0	314.3	191.9	198.3
India (4.9%)	1,961.1	6.5	0.3	6.2	235.9	16.9	219.0	106.1	113.8
US (2.8%)	1,136.2	37.9	5.3	32.6	105.6	29.7	75.9	43.9	37.7
Others (6.6%)	2,617.8	59.1	5.6	53.5	310.2	76.5	233.7	146.4	139.1
Total (%YoY)	39,916.3 (4.6%)	427.9 (-93.6)	40.4 (-99.4)	387.4 (3,479.9)	2,080.0 (5,042.4)	497.7 (2,367.2)	1,582.3 (7,704.0)	1,124.2 (6,126.3)	1,174.7 (7,677.2)

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 continued to increase from the previous month. On exchange rates, the baht against the US dollar and the NEER were, on average, appreciated from the previous month as markets expected a less tightening monetary policy stance from the US Federal Reserve with a better recovery prospect on tourism sector in Thailand.

Interest rates

Commercial Bank Interest Rates*

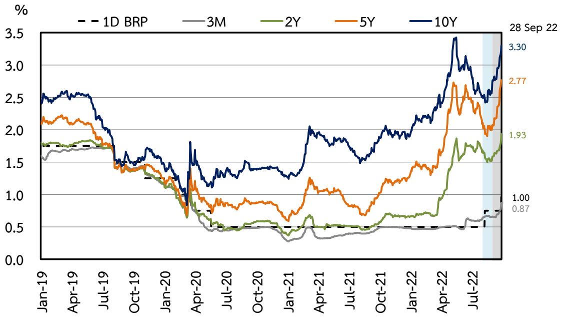
% p.a	2019	2020	2021				2022			
			Q1	Q2	Q3	Q4	Q1	Q2	Aug	29 Sep
12-month deposit rate										
Average of 6 largest Thai banks**	1.33	0.49	0.44	0.42	0.45	0.45	0.45	0.45	0.45	0.50
Average of other Thai banks	1.51	0.89	0.89	0.81	0.91	0.89	0.84	0.84	0.91	0.93
Average of foreign branches and subsidiary	1.11	0.56	0.56	0.54	0.53	0.53	0.53	0.56	0.57	0.57
MLR										
Average of 6 largest Thai banks	6.08	5.36	5.36	5.36	5.49	5.49	5.49	5.49	5.49	5.55
Average of other Thai banks	7.19	6.69	6.59	6.59	6.71	6.71	6.71	6.71	6.71	6.71
Average of foreign branches and subsidiary	7.59	6.84	6.79	6.79	6.79	6.79	6.79	6.79	6.79	6.79
MRR										
Average of 6 largest Thai banks	6.89	6.00	6.00	6.04	6.08	6.08	6.08	6.08	6.08	6.13
Average of other Thai banks	7.73	7.09	7.09	7.09	7.32	7.32	7.32	7.32	7.32	7.32
Average of foreign branches and subsidiary	8.44	7.93	7.93	7.91	7.91	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

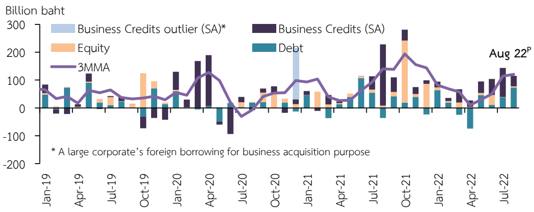
Government Bond Yields



Sources: Bank of Thailand and ThaiBMA

Corporate financing

Changes in Total Corporate Financing



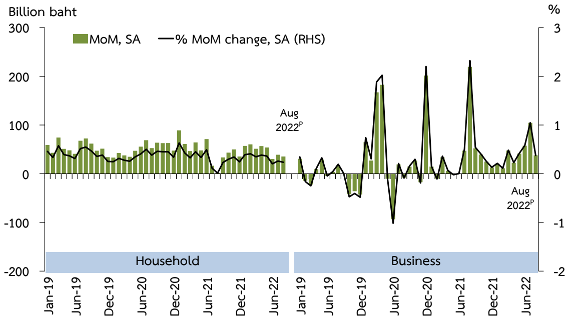
Note: (1) Business credits : net changes in outstanding loans extended by other depository corporations, other financial corporations, non-residents and others;

(2) Debt : net changes in outstanding bonds (market value);

(3) Equity : new issuance at par value

Sources: Bank of Thailand, ThaiBMA, SET

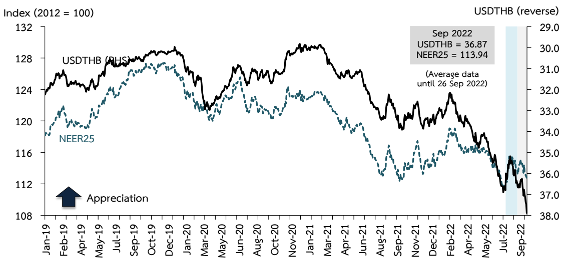
Net Changes in Outstanding Loans



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

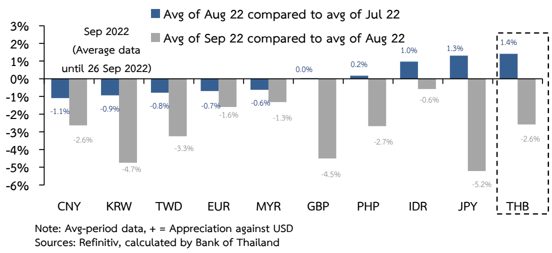
Exchange rates

Exchange Rates



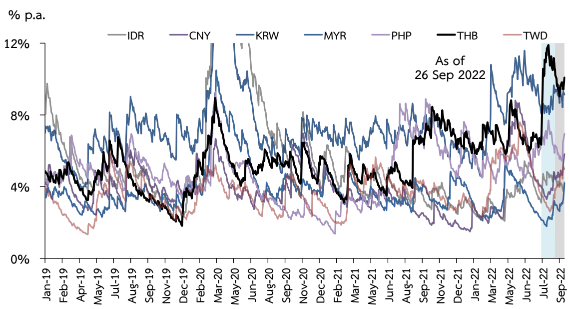
Note: Monthly average rate
Sources: Refinitiv, calculated by Bank of Thailand

Exchange Rate Movement



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

Regional Exchange Rate Volatility



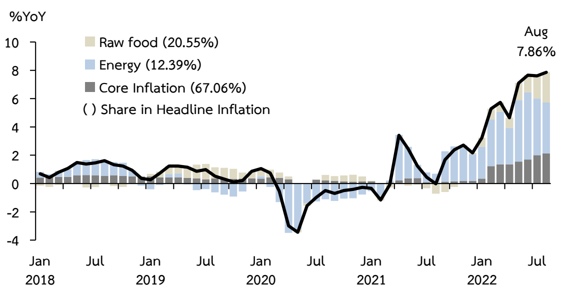
Sources: Refinitiv, Bank of Thailand

2.5 Financial Stability

Headline inflation increased from the previous month mainly due to higher fresh food prices and core inflation, while energy prices decreased in line with lower domestic retail oil prices. Labor market improved gradually as economic activities continued to recover. Meanwhile, overall external stability remained sound.

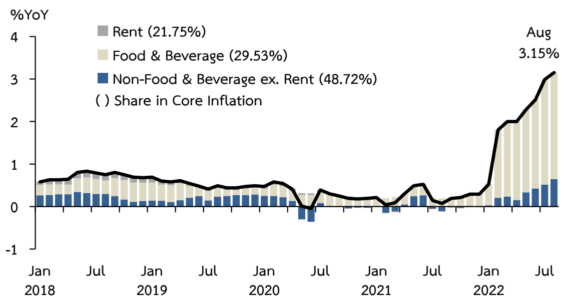
Inflation

Headline Inflation Contribution



Sources: Ministry of Commerce calculated by Bank of Thailand

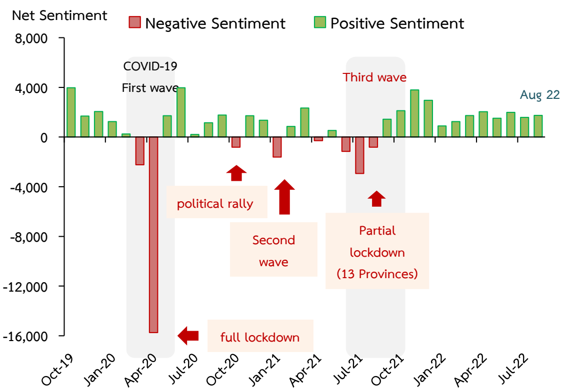
Core Inflation Contribution



Sources: Ministry of Commerce calculated by Bank of Thailand

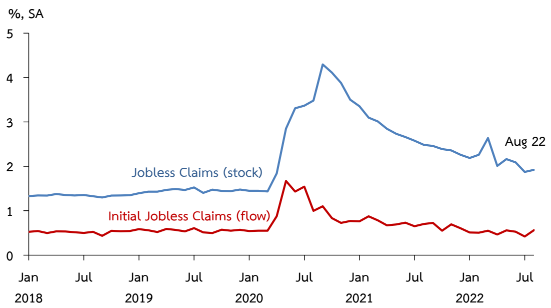
Labor market

Social Listening of Self-employed



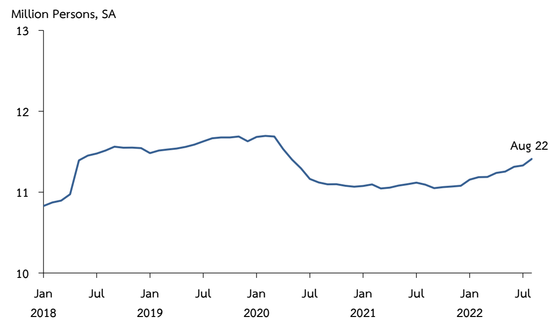
Note: The index is calculated based on the number of Positive Posts minus the number of Negative Posts, which can reflect the direction of self-employed activities quite well. However, it may not reflect the size of the change. In addition, the index is quite sensitive to other issues such as the number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

Ratio of Jobless Claims to Total Contributors in Section 33*



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

Total Contributors in Section 33*



Note: * Section 33 refers to employees who are not less than 15 years of age and not more than 60 years
Source: Social Security Office, calculated by Bank of Thailand

External stability

External Debt Outstanding

Billion USD	2020	2021^{P}	2021^{P}				2022^{P}		Change
			H1	H2	Q3	Q4	Q1	Q2	Q2 2022 - Q1 2022
1. General government	33.9	33.6	33.5	33.6	32.0	33.6	33.9	30.2	-3.8
2. Central Bank*	3.4	7.9	2.0	7.9	6.5	7.9	7.4	7.0	-0.4
3. Other Depository Corporations (ODC)	39.0	40.7	37.5	40.7	37.9	40.7	38.8	39.2	0.4
4. Other Sectors	114.5	114.0	112.2	114.0	112.2	114.0	117.8	117.8	0.0
- Other Financial Corporations (OFC)	23.4	23.5	23.5	23.5	23.2	23.5	23.4	23.1	-0.4
- Non Financial Corporations (NFC)	91.0	90.6	88.7	90.6	89.0	90.6	94.4	94.7	0.3
O/W Foreign Trade Credit	25.0	27.8	26.5	27.8	27.0	27.8	29.7	31.4	1.7
5. Total	190.7	196.3	185.2	196.3	188.5	196.3	198.0	194.2	-3.8
Short-term (%)	39.2	38.1	38.6	38.1	38.2	38.1	38.1	39.5	1.4
Long-term (%)	60.8	61.9	61.4	61.9	61.8	61.9	61.9	60.5	-1.4

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}	2021^{P}				2022^{P}	
				H1	H2	Q3	Q4	Q1	Q2
Solvency Indicators									
Current Account / GDP (%)	> -2	4.2	-2.1	-1.7	-2.4	-3.7	-1.3	-2.0	-6.6
Debt / GDP (%)	< 80[3/]	36.9	38.0	35.7	38.0	36.4	38.0	38.4	37.8
Debt / XGS[1/] (%)	< 220[3/]	62.8	67.1	62.5	67.1	64.1	67.1	67.6	65.9
Debt Service Ratio (%)	< 20	7.5	6.1	6.0	6.3	6.9	5.6	6.4	5.7
Liquidity Indicators									
Gross Reserves / ST Debt	> 1 time	3.0	2.7	2.9	2.7	2.8	2.7	2.7	2.4
Gross Reserves / Imports[2/]	> 3 times	13.3	10.0	11.4	10.0	10.5	10.0	9.5	8.3
ST Debt / Total Debt (%)		39.2	38.1	38.6	38.1	38.2	38.1	38.1	39.5

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

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