BANK OF THAILAND

# Economic and Monetary Conditions

## January 2023

Monetary Policy Group

February 2023

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 January 2023, the Thai economy improved from the previous month.** Private consumption indicators increased on the back of government's stimulus measures. Meanwhile, the value of merchandise exports, excluding gold, performed slightly better, which was in line with development in the manufacturing production and private investment indicators. Activities in the service sector also improved due to domestic tourists despite a slight slowdown in foreign tourist arrivals. Public spending expanded from the same period last year from both current and capital expenditures of the central government.

**On the economic stability front,** headline inflation declined, following lower inflation rates in energy and fresh food categories, which were partly due to the high base last year. Core inflation also declined but remained elevated. Labor market gradually improved in line with the economic recovery. The current account registered a deficit mainly due to a deterioration in the trade balance despite having a larger surplus in the net service, income, and transfer balance.

Details of the economic conditions are as follows:

**Private consumption indicators*,** after seasonal adjustment, increased from the previous month in almost all categories. Consumption of services increased thanks to both foreign and domestic tourist expenditures, while consumption of durable goods improved, following a pick-up in delivery of vehicles' backlog orders, especially electric vehicles (EV). Spending on non-durable goods also edged up thanks partly to the government's stimulus measures, while spending on semi-durable goods slightly softened. Overall, household consumption continued to be supported by improving employment figures and consumer confidence.

**Private investment indicators***, after seasonal adjustment, picked up from investment in machinery and equipment, following increases in import of capital goods and domestic sales of machinery. Investment in construction, however, declined from both permitted areas for construction and sales in construction material.

**The value of merchandise exports,** excluding gold and after seasonal adjustment, increased slightly from the previous month in line with improving activities in **the manufacturing sector.** In particular, petroleum production resumed after a temporary shutdown of several oil refineries for maintenance in the preceding periods. Manufacturing of food also increased from palm oil thanks to favorable weather conditions. Production in construction material was, however, declined from lower concrete and cement outputs.

**The number of foreign tourist arrivals**, after seasonal adjustment, was slightly lower compared to the previous month. This was due to lower Indian tourists, which were affected by the Indian government's requirement of the RT-PCR test on those who came back from Thailand. The measure was temporary imposed from January 2023 up to the middle of February 2023. Nevertheless, Chinese tourists, picked up

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* For January 2023, private consumption and investment indicators are constructed by using estimated imports data due to a delay in the official release of the international trade data.

significantly after the Chinese government uplifted its quarantine measure since January 8th, 2023. Tourist figures from other nationalities also increased including tourists from Malaysia and Europe.

**Public spending**, excluding transfer payment, expanded from the same period last year. The current and capital expenditures expanded from disbursement of pension and medical expenses of public servants as well as spending on infrastructure projects. Investment of state-owned enterprises also expanded from disbursement of utility agencies.

**On the stability front**, headline inflation declined, following lower inflation rates in energy and fresh food categories, especially meat, which were partly due to the high base last year. Core inflation also fell mainly in prepared food items but remained elevated. Labor market gradually improved in line with the economic recovery as reflected by increases in the number of total contributors to the social security system, which almost reached the pre-COVID level. The current account registered a deficit due to the worsening trade balance, following higher imports of goods. Meanwhile, the net service, income, and transfers balance displayed a larger surplus thanks to improvement in the travel balance. On exchange rates, the baht against the US dollar, on average, appreciated, following a better investors' sentiment regarding the recovery of Thailand's tourism sector due to the faster-than-anticipated reopening of China.

## 2.1 Supply

Farm income expanded from the same period last year due to higher agricultural production and prices. Manufacturing production also increased from the previous month in several categories, especially in petroleum, food, and electrical appliances. Economic activities in the service sector such as hotel and restaurant continued to improve on the back of increases in Thai domestic tourists, thanks partly to the government's stimulus measures.

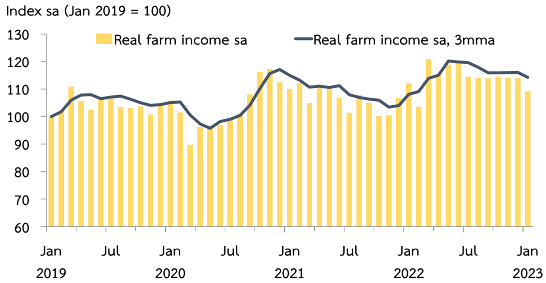
### Agricultural sector

**Nominal Farm Income**

| (%YoY) | 2021 | 2022 | 2022 H1 | 2022 H2 | 2022 Q1 | 2022 Q2 | 2022 Q3 | 2022 Q4 | 2022 Dec | 2023 Jan |
|---|---|---|---|---|---|---|---|---|---|---|
| Nominal farm income^P | 3.9 | 12.6 | 10.0 | 16.2 | 6.7 | 13.4 | 14.2 | 15.9 | 13.3 | 4.2 |
| Agricultural production^P | 0.8 | 0.9 | 2.4 | -0.2 | 2.0 | 3.0 | -4.9 | 2.7 | 5.4 | 2.7 |
| Agricultural price | 3.0 | 11.6 | 7.3 | 16.4 | 4.6 | 10.2 | 20.1 | 12.8 | 7.4 | 1.5 |

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

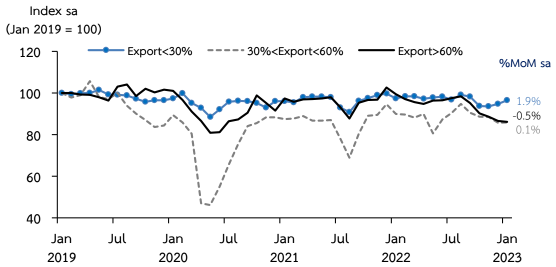
### Manufacturing sector

**Manufacturing Production Index**

| (%YoY) | Share 2016^R | 2022 | 2022 H1 | 2022 H2 | 2022 Q3 | 2022 Q4 | 2022 Dec | 2023 Jan^P | 2023 %MoM sa |
|---|---|---|---|---|---|---|---|---|---|
| Food & Beverages | 20.3 | 2.1 | 0.9 | 3.5 | 7.4 | 0.0 | -1.9 | 1.3 | 1.2 |
| Automotives | 13.8 | 11.5 | 2.7 | 20.3 | 35.8 | 8.5 | 1.6 | 6.5 | 0.5 |
| - Passenger Cars | 4.7 | 0.7 | -13.8 | 14.8 | 15.0 | 14.6 | 9.5 | 29.4 | 3.2 |
| - Commercial Vehicles | 7.2 | 18.1 | 10.9 | 25.6 | 53.4 | 6.5 | -1.3 | -2.0 | -1.5 |
| - Engine | 1.3 | 11.9 | 11.2 | 12.6 | 25.9 | 1.9 | 0.7 | -0.3 | 0.6 |
| Petroleum | 9.5 | 8.7 | 14.5 | 3.4 | 17.3 | -8.7 | 2.1 | 9.0 | 5.5 |
| Chemicals | 9.1 | -4.4 | -0.9 | -7.9 | -2.8 | -13.1 | -17.6 | -11.9 | 1.0 |
| Rubbers & Plastics | 8.8 | -1.1 | 1.1 | -3.3 | 2.4 | -8.7 | -13.3 | -8.2 | 1.6 |
| Cement & Construction | 5.5 | 3.0 | 0.0 | 6.3 | 9.6 | 3.2 | -0.7 | -2.0 | -3.7 |
| IC & Semiconductors | 5.5 | 1.3 | 0.8 | 1.8 | 6.5 | -2.7 | -7.3 | -6.3 | -0.4 |
| Electrical Appliances | 3.8 | -0.6 | -2.0 | 1.0 | 10.2 | -7.6 | -17.1 | -10.0 | 8.1 |
| Textiles & Apparels | 3.5 | -1.5 | -0.1 | -3.0 | 9.9 | -14.1 | -23.0 | -28.8 | -4.5 |
| Hard Disk Drive | 3.4 | -29.1 | -21.4 | -37.5 | -32.4 | -42.5 | -39.4 | -48.8 | -20.2 |
| Others | 16.7 | -5.3 | -4.3 | -6.4 | 1.1 | -13.3 | -15.8 | -10.3 | 1.4 |
| MPI | 100 | 0.4 | 0.2 | 0.5 | 7.7 | -6.0 | -8.5 | -4.4 | 0.8 |
| MPI sa Δ% from last period | 100 | - | 2.5 | -1.5 | 2.1 | -5.6 | -0.8 | 0.8 | - |
| Capacity Utilization (SA) | - | 62.8 | 63.4 | 62.2 | 64.1 | 60.2 | 59.9 | 60.3 | - |

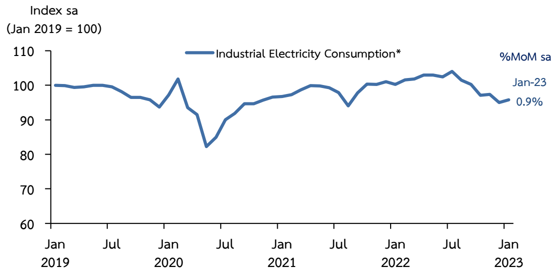
Note: the new MPI series as adjusted by the OIE (coverage and base year at 2016)
R = 2021 Revision P = Preliminary data
Source: Office of Industrial Economics and seasonally adjusted by Bank of Thailand
Production index of petroleum does not include the production of diesel B10 and B20

**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 | 2022 | 2022 Q1 | Q2 | Q3 | Q4 | Dec | 2023 JanP |
|---|---|---|---|---|---|---|---|---|
| Food & Beverages | 20.3 | 54.4 | 54.2 | 53.9 | 55.2 | 54.3 | 53.6 | 54.2 |
| Automotives | 13.8 | 75.2 | 73.4 | 70.6 | 78.9 | 77.8 | 76.5 | 76.8 |
| Petroleum | 9.5 | 82.0 | 83.7 | 84.7 | 87.1 | 72.7 | 81.6 | 84.3 |
| Chemicals | 9.1 | 70.3 | 75.0 | 71.4 | 69.6 | 64.9 | 63.2 | 65.0 |
| Rubbers & Plastics | 8.8 | 49.9 | 51.3 | 52.0 | 50.2 | 46.3 | 44.8 | 46.9 |
| Construction & Non-metal | 5.5 | 61.6 | 61.6 | 61.5 | 61.7 | 61.4 | 61.8 | 58.7 |
| IC & Semiconductors | 5.5 | 77.5 | 77.6 | 76.0 | 80.1 | 76.0 | 73.4 | 68.5 |
| Electrical Appliances | 3.8 | 64.1 | 63.9 | 64.0 | 68.0 | 60.8 | 55.5 | 59.3 |
| Textiles & Apparels | 3.5 | 40.1 | 41.2 | 41.2 | 41.3 | 36.9 | 35.8 | 34.3 |
| Hard Disk Drive | 3.4 | 61.0 | 73.0 | 64.3 | 57.6 | 49.8 | 49.5 | 46.1 |
| Others | 16.7 | 54.7 | 56.7 | 55.7 | 54.7 | 51.8 | 51.0 | 51.3 |
| CAPU sa | 100.0 | 62.8 | 64.0 | 62.8 | 64.1 | 60.2 | 59.9 | 60.3 |

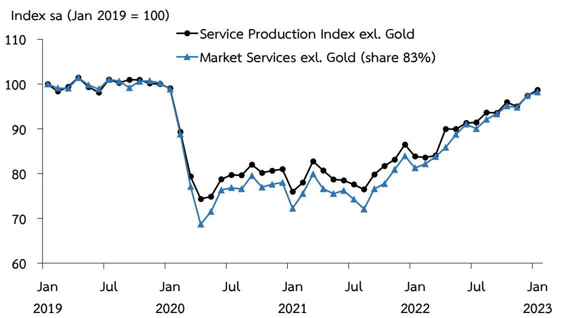
Note: the new Capacity Utilization series as adjusted by the OIE (coverage and base year at 2016)

R = 2021 Revision    P = Preliminary data

Source: Office of Industrial Economics

## Service sector

### Service Production Index (SPI)

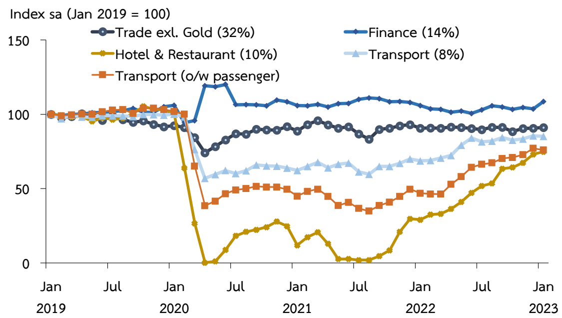



Note : Latest data estimated by Bank of Thailand

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) | 2022 | 2022 H1 | H2 | Q3 | Q4 | Dec | 2023 JanP | %MoM sa |
|---|---|---|---|---|---|---|---|---|---|
| Trade exl Gold | 32.2 | -0.2 | -1.3 | 1.0 | 4.6 | -2.3 | -2.4 | 0.5 | 0.6 |
| Transportation | 7.7 | 20.8 | 12.8 | 28.9 | 33.5 | 24.6 | 22.4 | 24.1 | -0.4 |
| (o/w) Goods | 2.5 | 8.7 | 11.2 | 6.2 | 12.0 | 0.7 | -2.9 | -3.3 | 2.6 |
| (o/w) Passenger | 5.2 | 38.7 | 16.5 | 61.7 | 66.6 | 57.3 | 55.6 | 60.7 | -1.5 |
| Hotel & Restaurant | 10.3 | 321.0 | 219.0 | 414.3 | 1,894.7 | 228.8 | 147.2 | 165.0 | 2.4 |
| Finance | 14.0 | -4.0 | -3.2 | -4.8 | -5.4 | -4.1 | -4.1 | 2.6 | 4.8 |
| Non-Market Services | 17.0 | -0.5 | -0.3 | -0.8 | 1.1 | -2.7 | -5.0 | 2.3 | 4.4 |
| SPI | 100.0 | 12.9 | 11.1 | 14.5 | 16.1 | 13.1 | 11.2 | 13.8 | 1.0 |
| SPI exl Gold | 100.0 | 13.5 | 10.0 | 16.8 | 19.2 | 14.6 | 12.6 | 17.7 | 1.3 |

Note : Share to total service in GDP

Source: Bank of Thailand

## 2.2 Domestic Demand

Private consumption indicators increased from the previous month, thanks partly to the government's stimulus measures, and were in line with increasing consumer confidence. Private investment indicators also increased due to higher investment in machinery and equipment. Public spending, excluding transfer payments, expanded from the same period last year in both current and capital expenditures of the central government as well as capital expenditures of state-owned enterprises.

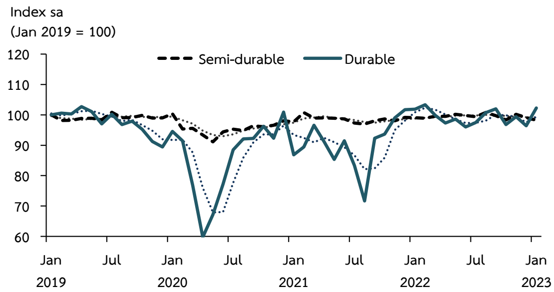
### Private Consumption

Private Consumption Indicators (PCI)

| %YoY | 2022 | 2022 | | | | | 2023 | |
|---|---|---|---|---|---|---|---|---|
| | | H1 | H2 | Q3 | Q4 | Dec | Jan P | %MoM sa |
| Non-durables index | 2.1 | 0.0 | 4.4 | 6.8 | 2.1 | 0.4 | 2.8 | 1.4 |
| Semi-durables index | 1.1 | 0.6 | 1.5 | 2.6 | 0.6 | -0.1 | -0.9 | -0.9 |
| Durables index | 7.4 | 6.7 | 8.2 | 20.8 | -1.2 | -5.6 | 0.4 | 6.0 |
| Services index | 22.9 | 18.4 | 27.2 | 32.7 | 22.4 | 19.9 | 22.7 | 1.9 |
| (less) Net tourist expenditure | 1055.4 | 495.8 | 1509.4 | 9476.2 | 857.0 | 167.0 | 197.1 | 23.7 |
| PCI | 8.5 | 7.1 | 9.8 | 14.6 | 5.4 | 2.6 | 4.1 | 0.5 |

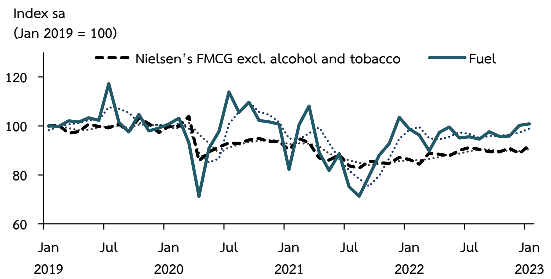
Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data
Source: Bank of Thailand

Durable and Semi-durable Indices



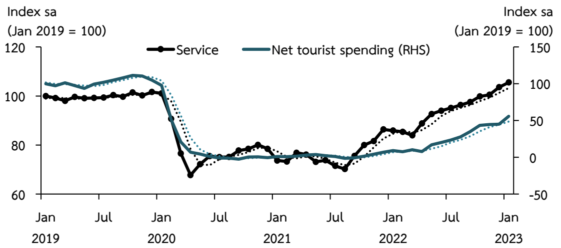

Source: Bank of Thailand

Nielsen's FMCG Index & Fuel Index



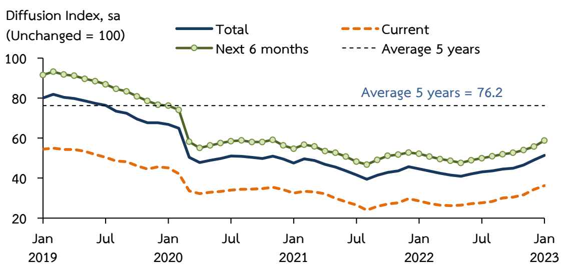

Source: The Nielsen company and Department of Energy Business, calculated by Bank of Thailand

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




Source: The University of the Thai Chamber of Commerce, calculated by Bank of Thailand

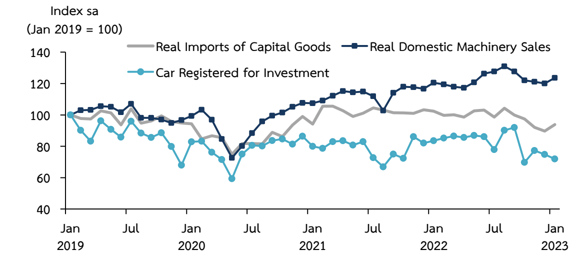
## Private Investment

### Private Investment Indicators

| % YoY | 2022 | 2022 | | | | | 2023 | |
|---|---|---|---|---|---|---|---|---|
| | | H1 | H2 | Q3 | Q4 | Dec | Jan P | %MoM |
| Permitted Construction Area (4mma) | 6.3 | 9.6 | 2.9 | 3.5 | 2.3 | -1.6 | -1.3 | -4.3 |
| Construction Materials Index | 3.4 | -0.3 | 7.5 | 10.4 | 4.7 | -2.6 | -1.5 | -2.0 |
| Real Imports of Capital Goods | -2.7 | -0.1 | -5.3 | -1.7 | -8.9 | -12.9 | -8.2 | 4.7 |
| Real Domestic Machinery Sales | 8.6 | 7.2 | 10.0 | 17.6 | 3.1 | 2.9 | 2.7 | 2.9 |
| Newly Registered Motor Vehicles for Investment | 5.9 | 5.3 | 6.7 | 21.5 | -7.7 | -8.5 | -14.7 | -3.8 |
| Private Investment Index | 2.7 | 3.4 | 2.1 | 6.4 | -1.6 | -3.2 | -1.5 | 1.8 |

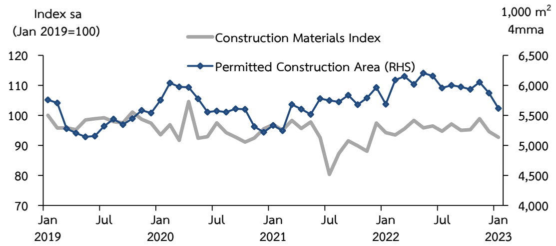
Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data
Source: Bank of Thailand

### Investment in Machinery and Equipment



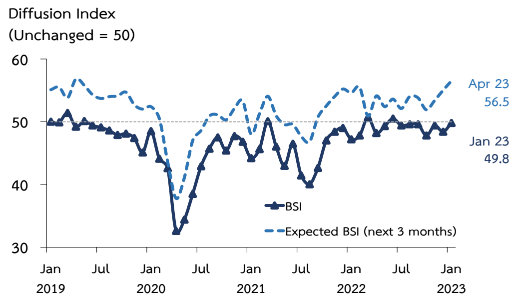

Note: All data is in real terms.
Source: Department of Land Transport, Customs Department, Revenue Department, calculated by Bank of Thailand

### 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

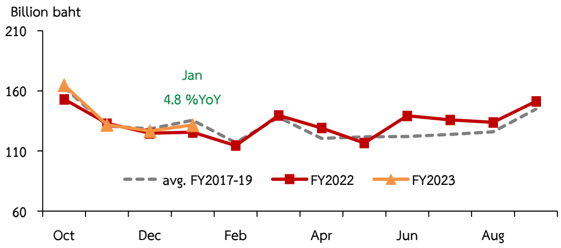
## Fiscal position and public expenditure

### Fiscal Position (Cash Basis)

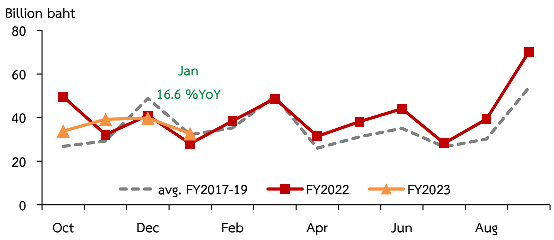
| Billion baht | FY21 | FY22 | FY21 | | | | FY22 | | | | FY23 | FY23 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Dec | Jan[P] |
| Revenue | 2,441 | 2,551 | 618 | 488 | 642 | 694 | 533 | 572 | 787 | 659 | 637 | 220 | 194 |
| (%YoY) | (4.3) | (4.5) | (-4.6) | (-9.4) | (19.1) | (12.7) | (-13.8) | (17.3) | (22.6) | (-5.0) | (19.6) | (16.5) | (-18.9) |
| Expenditure[1/] | 3,131 | 3,056 | 953 | 665 | 700 | 814 | 974 | 663 | 712 | 706 | 988 | 280 | 232 |
| (%YoY) | (2.0) | (-2.4) | (19.7) | (-12.7) | (-11.2) | (12.2) | (2.3) | (-0.3) | (1.8) | (-13.2) | (1.4) | (-4.0) | (15.9) |
| Budgetary B/L | -690 | -505 | -334 | -177 | -58 | -120 | -441 | -91 | 75 | -47 | -351 | -60 | -38 |
| Non-Budgetary B/L | -768 | -448 | -81 | -267 | -231 | -189 | -168 | -163 | -22 | -95 | -31 | 70 | -45 |
| Cash B/L (CG) | -1,458 | -953 | -416 | -444 | -289 | -310 | -610 | -254 | 53 | -142 | -381 | 10 | -83 |
| Primary balance[2/] | -1,292 | -768 | -350 | -433 | -217 | -292 | -533 | -237 | 133 | -131 | -296 | 86 | -80 |
| Net Financing | 1,475 | 988 | 317 | 322 | 398 | 438 | 358 | 278 | 175 | 178 | 130 | 66 | 50 |
| Treasury B/L | 589 | 624 | 473 | 351 | 460 | 589 | 337 | 361 | 588 | 624 | 372 | 372 | 338 |

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

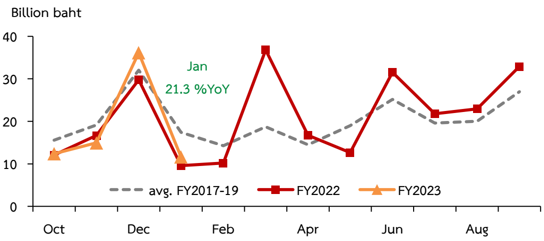
### Central Government Current Expenditure (Excl. Subsidies/Grants and Other)




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




### State Owned Enterprises Capital Expenditure



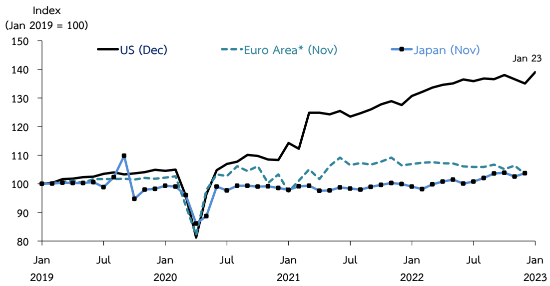

Source: Comptroller General's Department, Fiscal Policy Office and Bank of Thailand

## 2.3 The Global Economy and External Sector

The value of merchandise exports, excluding gold and after seasonal adjustment, slightly improved from the previous month in several categories, especially petroleum related products due to the reopening of oil refineries after a temporary maintenance. Foreign tourist figures decreased mainly from Indian tourists after the Indian government's requirement of RT-PCR testing on those who came back from Thailand, which had been temporarily imposed until mid-February. The current account became deficit due mainly to a deterioration in trade balance, while the net services, income, and transfers registered a surplus.

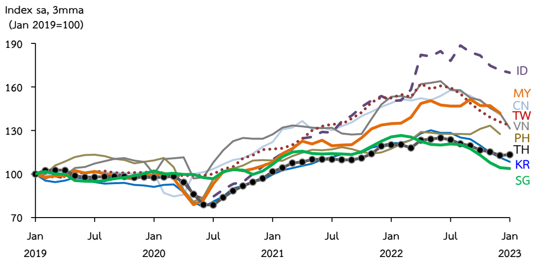
### The global economy

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

Dec 2022 = 21.8 Bn USD (-12.9%YoY)    Jan 2023 = 20.4 Bn USD (-3.4%YoY)

Ex Gold = 21.7 Bn USD (-12.3%YoY)    Ex Gold = 20.2 Bn USD (-3.3%YoY)

| %YoY | Share 2022 | 2022 | 2022 | | 2022 | | | 2023 | |
|---|---|---|---|---|---|---|---|---|---|
| | | | H1 | H2 | Q3 | Q4 | Dec | Jan | Jan (%MoMsa) |
| Agriculture | 6.7 | -1.7 | 8.1 | -11.7 | -13.2 | -10.0 | -8.9 | 3.5 | -3.8 |
| Fishery | 0.6 | -2.1 | 2.8 | -6.3 | 1.1 | -13.5 | -16.2 | -28.1 | -6.0 |
| Manufacturing | 89.0 | 4.8 | 10.4 | -0.5 | 7.9 | -8.3 | -14.7 | -4.6 | 1.6 |
| Agro-manufacturing | 13.9 | 8.6 | 12.0 | 5.1 | 13.5 | -2.9 | -12.4 | -3.4 | 5.1 |
| Electronics | 11.9 | 3.8 | 9.3 | -1.2 | 5.1 | -7.2 | -10.9 | -13.6 | -8.2 |
| Electrical Appliances | 9.2 | 2.8 | 3.3 | 2.2 | 7.4 | -2.8 | -9.2 | 5.0 | 5.5 |
| Automotive | 14.3 | -1.6 | -4.8 | 1.7 | 8.4 | -4.1 | -14.9 | 4.4 | -5.2 |
| Machinery & Equipment | 8.2 | 5.2 | 6.3 | 4.2 | 10.3 | -1.7 | -2.8 | 2.0 | 0.3 |
| Petroleum Related | 12.2 | 1.4 | 19.5 | -14.1 | -3.6 | -24.2 | -26.5 | -13.5 | 8.2 |
| Total (BOP Basis) | 100.0 | 5.5 | 11.9 | -0.6 | 6.7 | -7.5 | -12.9 | -3.4 | 1.3 |
| Ex. Gold | | 4.4 | 9.6 | -0.6 | 6.4 | -7.3 | -12.3 | -3.3 | 0.8 |
| Ex. Gold & Petroleum Related | | 4.8 | 8.2 | 1.5 | 8.0 | -4.6 | -10.2 | -1.8 | -0.1 |

%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

Dec 2022 = 20.8 Bn USD (-10.5%YoY)    Jan 2023 = 23 Bn USD (9.1%YoY)

Ex Gold = 20.1 Bn USD (-9.7%YoY)    Ex Gold = 22.7 Bn USD (9.9%YoY)

| %YoY | Share 2022 | 2022 | 2022 | | 2022 | | | 2023 | |
|---|---|---|---|---|---|---|---|---|---|
| | | | H1 | H2 | Q3 | Q4 | Dec | Jan | Jan (%MoMsa) |
| Consumer | 11.8 | 6.4 | 8.3 | 4.6 | 12.2 | -2.0 | -2.6 | 5.7 | 2.1 |
| Raw material & Intermediate | 66.7 | 17.6 | 27.8 | 8.4 | 21.1 | -3.9 | -14.7 | 10.7 | 5.5 |
| o/w Fuel | 19.6 | 59.9 | 84.6 | 41.5 | 83.7 | 8.8 | -13.0 | 90.5 | 6.6 |
| o/w Raw mat & Interm ex. Fuel | 47.0 | 5.8 | 14.0 | -1.9 | 4.4 | -8.3 | -15.5 | -6.6 | 5.0 |
| Capital | 16.6 | 2.4 | 8.4 | -3.2 | -0.0 | -6.2 | -2.8 | -7.1 | 2.1 |
| Others | 5.0 | 22.8 | -13.3 | 72.6 | 140.2 | 16.2 | -25.0 | -21.6 | -40.6 |
| Total (BOP Basis) | | 15.3 | 19.7 | 11.1 | 23.2 | -0.3 | -10.5 | 9.1 | 2.6 |
| Ex. Gold | | 14.7 | 21.3 | 8.6 | 18.7 | -1.0 | -9.7 | 9.9 | 4.6 |
| Ex.Gold&Fuel | | 6.6 | 11.4 | 2.1 | 7.3 | -3.2 | -8.7 | -1.4 | 4.1 |

%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

### Balance of Payments

| Billion USD | 2021P | 2022P | 2022P | | | | | 2023P |
|---|---|---|---|---|---|---|---|---|
| | | | H1 | H2 | Q3 | Q4 | Dec | Jan |
| Trade Balance | 32.4 | 10.8 | 9.7 | 1.1 | -1.9 | 3.0 | 1.0 | -2.7 |
| Exports (f.o.b.) | 270.6 | 285.4 | 147.6 | 137.8 | 72.0 | 65.8 | 21.8 | 20.4 |
| %YoY | 19.2 | 5.5 | 11.9 | -0.6 | 6.7 | -7.5 | -12.9 | -3.4 |
| Imports (f.o.b.) | 238.2 | 274.6 | 137.9 | 136.7 | 73.8 | 62.8 | 20.8 | 23.0 |
| %YoY | 27.7 | 15.3 | 19.7 | 11.1 | 23.2 | -0.3 | -10.5 | 9.1 |
| Net Services, Income & Transfers | -43.0 | -27.8 | -20.2 | -7.6 | -5.8 | -1.8 | 0.1 | 0.7 |
| Current Account | -10.6 | -16.9 | -10.5 | -6.5 | -7.7 | 1.2 | 1.1 | -2.0 |
| Capital and Financial Account | -6.0 | | 3.6 | | -3.5 | | | |
| Overall Balance | -7.1 | -10.2 | -7.4 | -2.9 | -8.2 | 5.3 | 3.5 | 3.8 |

Source: Bank of Thailand P = Preliminary data

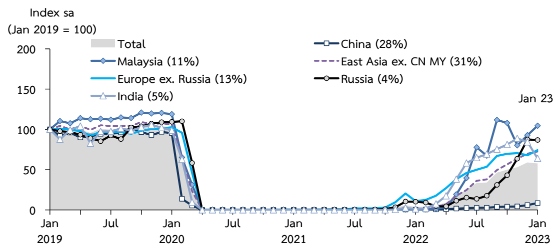
## Foreign tourist arrivals

### Inbound Tourists by Country of Origin

| Thousand persons * (Share in 2019) | 2019 (Pre-COVID) | 2021 | 2022 | 2022 | | | | | 2023 |
|---|---|---|---|---|---|---|---|---|---|
| | | | | H1 | H2 | Q3 | Q4 | Dec | JanP |
| China (27.9%) | 11,138.7 | 13.0 | 273.6 | 57.4 | 216.1 | 89.5 | 126.7 | 54.1 | 91.8 |
| Malaysia (10.7%) | 4,274.5 | 5.5 | 1,948.5 | 200.6 | 1,747.9 | 774.2 | 973.7 | 398.3 | 288.7 |
| Asia ex. China & Malaysia (30.7%) | 12,256.8 | 54.9 | 3,678.3 | 546.4 | 3,131.9 | 1,271.4 | 1,860.5 | 742.4 | 707.4 |
| Russia (3.7%) | 1,481.8 | 30.8 | 435.0 | 71.4 | 363.6 | 32.0 | 331.6 | 178.3 | 202.8 |
| Europe ex. Russia (12.6%) | 5,049.4 | 220.2 | 2,116.6 | 552.3 | 1,564.3 | 555.3 | 1,009.0 | 424.3 | 478.8 |
| India (4.9%) | 1,961.1 | 6.5 | 997.9 | 235.9 | 762.1 | 336.3 | 425.8 | 153.5 | 103.3 |
| US (2.8%) | 1,136.2 | 37.9 | 453.7 | 105.6 | 348.1 | 120.3 | 227.8 | 90.8 | 82.5 |
| Others (6.6%) | 2,617.8 | 59.1 | 1,249.3 | 310.2 | 939.1 | 429.1 | 510.0 | 199.3 | 189.7 |
| Total | 39,916.3 | 427.9 | 11,153.0 | 2,079.9 | 9,073.1 | 3,608.1 | 5,465.0 | 2,241.2 | 2,144.9 |
| (%YoY) | (4.6) | (-93.6) | (2,506.6) | (5,042.2) | (2,241.9) | (7,847.7) | (1,497.8) | (872.3) | (1502.8) |

* 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 due mainly to increases in corporate bond issuance. Net loans extended to the household sector also picked up from the previous month in all categories. On the exchange rate, the baht against the US dollar in January 2023 was on average appreciated, following a better investors' sentiment regarding the recovery prospect of Thailand's tourism sector due to the faster-than-expected China's reopening.

### Interest rates

**Commercial Bank Interest Rates***

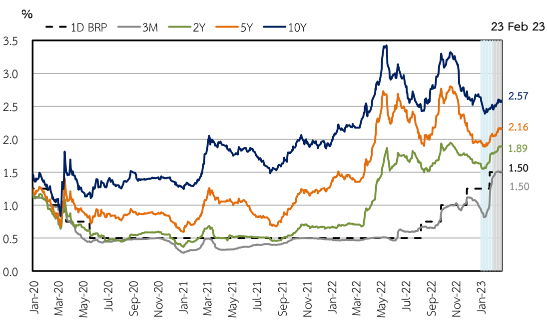
| % p.a | 2020 | 2021 Q1 | 2021 Q2 | 2021 Q3 | 2021 Q4 | 2022 Q1 | 2022 Q2 | 2022 Q3 | 2022 Q4 | 2023 Jan | 2023 23 Feb |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 12-month deposit rate | | | | | | | | | | | |
| Average of 6 largest Thai banks** | 0.49 | 0.44 | 0.42 | 0.45 | 0.45 | 0.45 | 0.45 | 0.50 | 0.98 | 1.05 | 1.15 |
| Average of other Thai banks | 0.89 | 0.89 | 0.81 | 0.91 | 0.89 | 0.84 | 0.84 | 0.93 | 1.04 | 1.09 | 1.23 |
| Average of foreign branches and subsidiary | 0.56 | 0.56 | 0.54 | 0.53 | 0.53 | 0.53 | 0.56 | 0.57 | 0.72 | 0.72 | 0.76 |
| MLR | | | | | | | | | | | |
| Average of 6 largest Thai banks | 5.36 | 5.36 | 5.36 | 5.49 | 5.49 | 5.49 | 5.49 | 5.55 | 6.00 | 6.49 | 6.56 |
| Average of other Thai banks | 6.69 | 6.59 | 6.59 | 6.71 | 6.71 | 6.71 | 6.71 | 6.71 | 7.19 | 7.43 | 7.64 |
| Average of foreign branches and subsidiary | 6.84 | 6.79 | 6.79 | 6.79 | 6.79 | 6.79 | 6.79 | 6.79 | 6.76 | 6.76 | 6.89 |
| MRR | | | | | | | | | | | |
| Average of 6 largest Thai banks | 6.00 | 6.00 | 6.04 | 6.08 | 6.08 | 6.08 | 6.08 | 6.13 | 6.30 | 6.75 | 6.81 |
| Average of other Thai banks | 7.09 | 7.09 | 7.09 | 7.32 | 7.32 | 7.32 | 7.32 | 7.32 | 7.74 | 7.99 | 8.10 |
| Average of foreign branches and subsidiary | 7.93 | 7.93 | 7.91 | 7.91 | 7.91 | 7.91 | 7.91 | 7.91 | 7.91 | 7.91 | 8.00 |

* 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

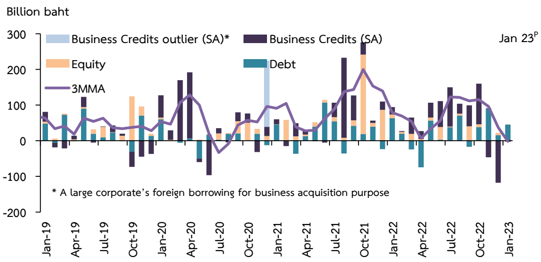
**Government Bond Yields**




Sources: Bank of Thailand and ThaiBMA

### Corporate financing

**Changes in Total Corporate Financing**



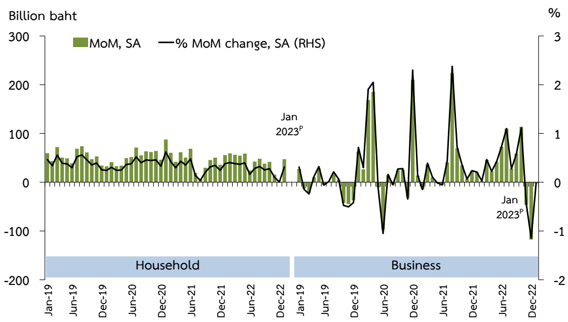

Note: (1) Business credits : net changes in outstanding loans extended by other depository corporations, other financial corporations, non-residents and others;

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

(3) Equity : new issuance at par value

Sources: Bank of Thailand, ThaiBMA, SET

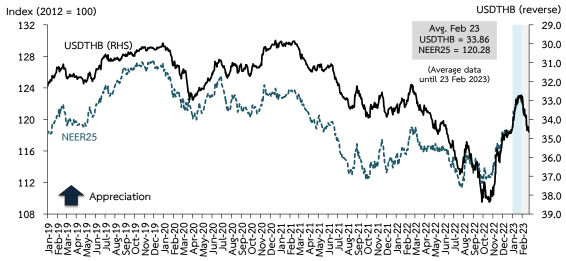
**Net Changes in Outstanding Loans**




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

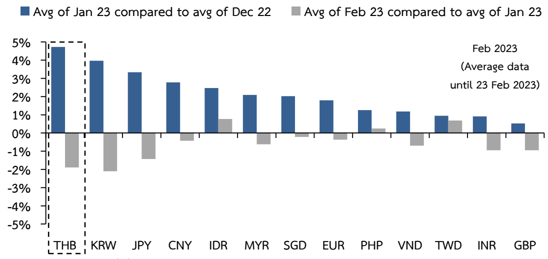
## Exchange rates

Exchange Rates



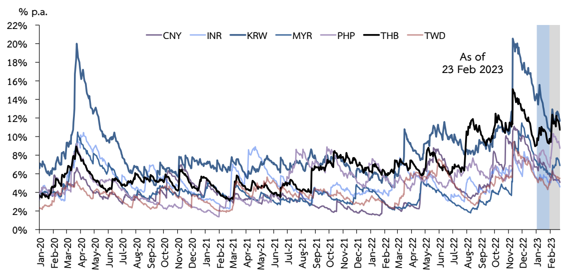

Note: Monthly average rate
Sources: Refinitiv, calculated by Bank of Thailand

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

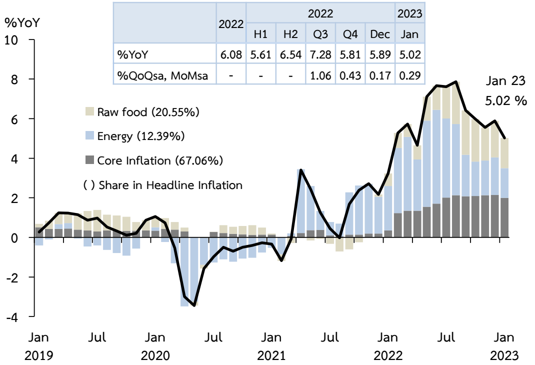
## 2.5 Financial Stability

Headline inflation declined in both energy and fresh food categories, partly due to the high base last year. Core inflation also declined but remained elevated. The Labor market continued to improve in line with the economic recovery.

### Inflation

**Headline Inflation Contribution**

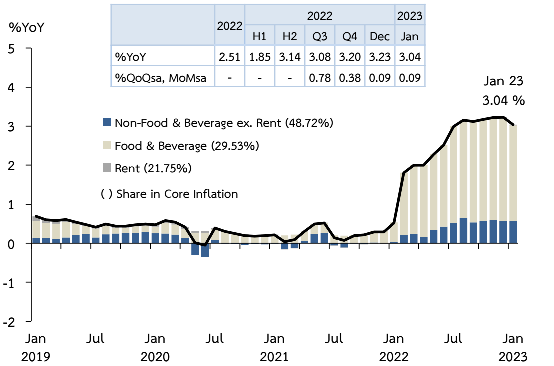
| | 2022 | 2022 | | | | | 2023 |
|---|---|---|---|---|---|---|---|
| | | H1 | H2 | Q3 | Q4 | Dec | Jan |
| %YoY | 6.08 | 5.61 | 6.54 | 7.28 | 5.81 | 5.89 | 5.02 |
| %QoQsa, MoMsa | - | - | - | 1.06 | 0.43 | 0.17 | 0.29 |




Source: Ministry of Commerce, calculated by Bank of Thailand

**Core Inflation Contribution**

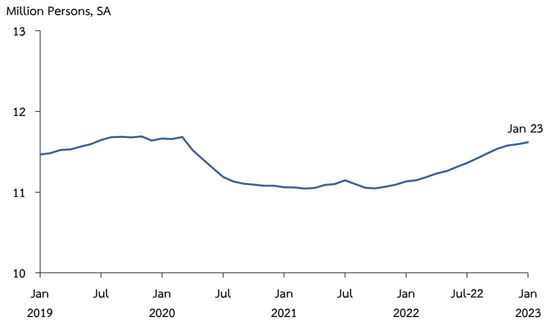
| | 2022 | 2022 | | | | | 2023 |
|---|---|---|---|---|---|---|---|
| | | H1 | H2 | Q3 | Q4 | Dec | Jan |
| %YoY | 2.51 | 1.85 | 3.14 | 3.08 | 3.20 | 3.23 | 3.04 |
| %QoQsa, MoMsa | - | - | - | 0.78 | 0.38 | 0.09 | 0.09 |




Source: Ministry of Commerce, calculated by Bank of Thailand

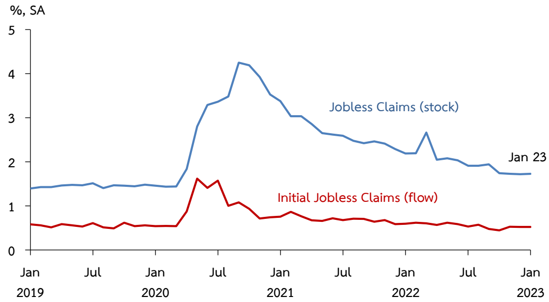
### Labor market

**Total Contributors in Section 33***



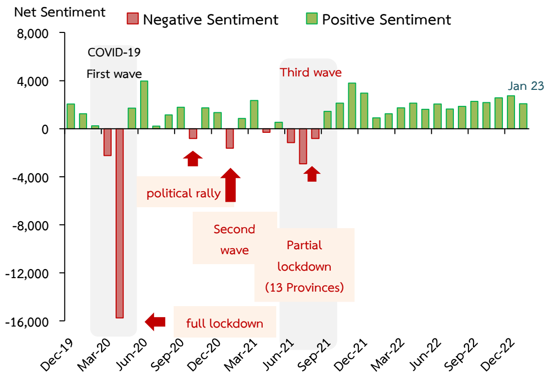

Note: * Section 33 refers to employees who are not less than 15 years of age and not more than 60 years
Source: Social Security Office, calculated by Bank of Thailand

**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

**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.

## 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

| | | |
|---|---|---|
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| 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 |