



BANK OF THAILAND

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Economic and Monetary Conditions

June 2024

Monetary Policy Group
July 2024

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

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

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1. Executive Summary

The Thai economy continued to expand in the second quarter. However, economic activities in June slowed down compared to the previous month. This was primarily due to a decline in the number of foreign tourists and tourism revenue, which accelerated in the preceding period. Additionally, exports of goods decreased, particularly agricultural products as its production entered the end of its season, and electronic products that still have high inventories. These developments were in line with lower agricultural and industrial production. Private consumption remained stable, whereby higher spending on non-durable goods was being offset by a continuous decline in durable goods, especially in the automotive sector. However, private investment slightly increased. Government spending also expanded from the previous year in both current and capital expenditures of the central government, while investment expenditures of state-owned enterprises contracted due to lower disbursements in infrastructure and public utility projects.

On the economic stability front, headline inflation in June decreased from the previous month from energy and fresh food categories. This was driven by lower benzene prices in line with the global crude oil prices, as well as lower vegetable prices as a result of increased output. Meanwhile, core inflation remained similar to the previous month. The current account registered a higher surplus, due to a lower deficit of services, income, and transfers, while the trade balance registered a similar surplus to the previous month. The labor market continued to improve steadily in both the service and manufacturing sectors.

Details of the economic conditions for June relative to the previous month are as follows:

The number of foreign tourist arrivals, after seasonal adjustment, decreased from the previous month, especially tourists from Malaysia, China, and Europe (excluding Russia), after a good expansion in the previous period. Nevertheless, the number of tourists from other countries, such as the United States, Australia, and India, increased. Correspondingly, tourism revenue, after seasonal adjustment, also decreased in line with lower number of foreign tourists.

Private consumption indicators, after seasonal adjustment, remained stable from the previous month. Spending on non-durables increased, due to higher sales in consumer goods, excluding alcoholic beverages, as well as fuel. However, spending on durables, semi-durables and services decreased. Meanwhile, consumer confidence continued to decline due to concerns over higher living costs stemming from rising energy prices as well as concerns on the sluggish rebound of the Thai economy.

The value of merchandise exports, excluding gold and after seasonal adjustment, decreased from the previous month in several categories, particularly in 1) agricultural products due to lower exports of durian to China, as the durian harvest season in the eastern region entered an end, 2) electronic products from lower exports of communication equipment to Hong Kong and Japan, as well as integrated circuits to Malaysia and Hong Kong, and 3) agro-manufacturing products, following lower exports of palm oil to India and sugar to ASEAN. Nevertheless, some export products increased, including commercial cars to Australia, passenger cars to ASEAN, and petroleum products to China, Japan, and ASEAN.

The value of merchandise imports, excluding gold and after seasonal adjustment, increased from the previous month from imports of 1) raw materials and intermediate goods, excluding fuel, due to higher imports of communication equipment and metals, 2) consumer goods, following higher imports of mobile phones and leather, and 3) capital goods, excluding aircrafts, from higher imports of

machinery and computers. However, imports of fuel slightly decreased due to lower imports of crude oil both in terms of volume and price.

The manufacturing production index, after seasonal adjustment, decreased from the previous month in several categories, particularly in the automotive sector. The production of passenger and commercial vehicles for domestic sales drop, partly as financial institutions remained vigilant in providing auto loans, and some consumers postponed their purchases in anticipation of potential price drop amid intensified competition among manufacturers. The rubber and plastic packaging production also declined. However, petroleum production increased as refineries resumed operations after a shutdown for maintenance in the previous month.

Private investment indicators, after seasonal adjustment, increased from both investment in machinery, equipment, and construction. Domestic machinery and equipment sales increased in the computers and peripherals, despite a decline in imports of capital goods and registrations of commercial vehicles. Investment in construction also increased, reflected by higher construction material sales in cement and concrete piles. Nevertheless, permitted area for construction decreased.

Public spending, excluding transfer payments, expanded from the same period last year from both current and capital expenditures of the central government after the Budget Act, B.E. 2567 was enacted towards the end of April. Current expenditure expanded from the disbursement of pensions, medical expenses of public servants, and compensation for state employees. Capital expenditure also expanded due to the disbursement by the Irrigation Agency. However, investment expenditure by state-owned enterprises contracted due to lower disbursements in infrastructure and public utility projects.

On the economic stability front, headline inflation decreased from the previous month from energy and fresh food categories due to falling benzene prices, following the lower global crude oil prices, as well as last year's high base effect in electricity price after the government subsidies ended. Vegetable prices also decreased as a result of higher output. Meanwhile, core inflation remained similar to the previous month. The labor market continued to improve in both the service and manufacturing sectors. The current account registered a higher surplus due to a lower deficit of the services, income, and transfers account, while surplus in the trade balance remained at a similar level to the previous month. In terms of private sector financing, the outstanding amount of business funding decreased from the previous month, particularly funding from corporate bonds in the food and beverage sector, which had accelerated in the previous period. Funding from business credit also decreased in the utilities sector. However, equity financing increased in the finance and securities as well as the accommodation sectors. As for exchange rates, the baht against the U.S. dollar, on average, slightly depreciated due to higher-than-expected U.S. non-farm payroll, which caused the market to adjust their expectations that the Federal Reserve will maintain a high interest rate for an extended period.

In the second quarter, the Thai economy continued to expand from the previous quarter, but unevenly distributed. The tourism sector remained the main driver, which bolstered activities in the service sector, employment, and private consumption to increase from the previous quarter. Merchandise exports, excluding gold, also increased from the previous quarter, in line with overall improvements in the manufacturing production. However, exports and production in some industries were suppressed by high inventory levels as well as structural factors due to lower competitiveness. Private investment in machinery and equipment expanded. Government spending expanded significantly after the Budget Act, B.E. 2567 was enacted. On the economic stability front, headline inflation increased from the previous quarter due

to higher energy prices following the gradual uplift of the government subsidies, as well as lower supply of vegetables and pork. Core inflation decreased due to lower prices of prepared food and personal care items. The current account registered a surplus at a similar level to the previous quarter. Trade balance registered a surplus from higher exports, while the services, income, and transfers turned into a deficit due to lower foreign tourism revenue and higher payment of profit and dividend due to remittance season. Labor market continued to improve from the previous quarter, mainly due to higher employment in the service sector.

2.1 Supply

Farm income expanded from the same period last year mainly due to higher agricultural prices. Meanwhile, manufacturing production decreased from the previous month in several categories, especially automotives. Economic activities in the service sector also decreased from the previous month, particularly tourism-related sectors, in tandem with a decline in both Thai and foreign tourist arrivals. Additionally, activities in the real estate sector in Q2 2024 slowed down from the preceding quarter from both demand and supply aspects, especially in the low-rise residential segment.

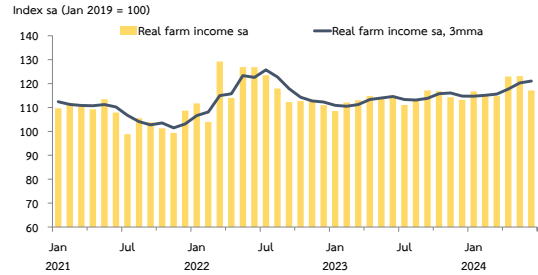
Agricultural sector

Nominal Farm Income

| (%YoY) | 2023 | 2023 | | | | 2024 | | | |
|--------------------------------------|------|------|------|------|-----|------|------|------|------|
| | | H1 | H2 | Q3 | Q4 | Q1 | Q2 | May | Jun |
| Nominal farm income ^P | -0.6 | -1.4 | 0.4 | -0.8 | 1.5 | 2.4 | 8.8 | 12.7 | 5.6 |
| Agricultural production ^P | 1.5 | 1.9 | 1.2 | 0.9 | 1.4 | -2.9 | -1.7 | 6.9 | -6.3 |
| Agricultural price | -2.0 | -3.3 | -0.8 | -1.6 | 0.1 | 5.5 | 10.7 | 5.4 | 12.6 |

Note: Farm income does not include government subsidies and transfers. P = Preliminary data
Source: Office of Agricultural Economics and calculated by Bank of Thailand

Real Farm Income



Source: Office of Agricultural Economics and calculated by Bank of Thailand

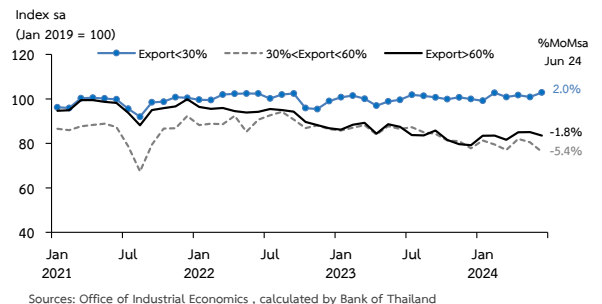
Manufacturing sector

Manufacturing Production Index

| (%YoY) | Share 2021 ^R | 2022 | 2023 | 2023 | | | | 2024 | | | | %MoM sa |
|----------------------------|-------------------------|------|-------|-------|-------|-------|-------|-------|-------|-------|------------------|---------|
| | | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | May | Jun ^P | |
| Food & Beverages | 20.6 | 21.5 | -1.9 | 0.4 | -2.9 | -0.4 | -5.0 | 1.0 | 7.3 | 5.2 | 7.6 | -0.2 |
| Automotives | 11.3 | 13.0 | 0.8 | 11.9 | 7.6 | -3.7 | -10.1 | -16.3 | -13.4 | -14.2 | -18.0 | -7.4 |
| - Passenger Cars | 4.0 | 5.2 | 20.9 | 48.6 | 30.3 | 12.5 | 2.9 | -6.7 | -4.2 | -2.1 | -9.4 | -8.2 |
| - Commercial Vehicles | 6.1 | 6.7 | -9.7 | -3.3 | -2.8 | -12.7 | -18.8 | -23.7 | -20.1 | -22.3 | -24.6 | -7.3 |
| - Engine | 0.6 | 0.6 | -2.9 | 0.3 | 2.9 | -4.6 | -9.5 | -20.6 | -12.4 | -17.0 | -16.8 | -3.2 |
| Petroleum | 10.8 | 13.4 | 8.6 | 10.6 | 2.0 | 1.7 | 21.8 | 2.1 | 1.9 | -2.8 | 3.6 | 8.7 |
| Chemicals | 10.0 | 9.6 | -1.8 | -6.5 | -5.0 | 1.5 | 3.7 | 1.1 | 3.7 | 3.4 | 1.9 | -0.4 |
| Rubbers & Plastics | 8.9 | 9.0 | -2.4 | -1.2 | -4.9 | -5.2 | 1.7 | -0.5 | -0.3 | 0.3 | -2.4 | -1.9 |
| Cement & Construction | 5.4 | 5.6 | -3.4 | -1.2 | -5.0 | -0.7 | -6.7 | -7.0 | -7.8 | -8.9 | -6.4 | 1.2 |
| IC & Semiconductors | 5.3 | 4.6 | -13.6 | -8.9 | -5.8 | -20.2 | -19.0 | -17.2 | -18.3 | -17.8 | -20.1 | -3.6 |
| Electrical Appliances | 4.4 | 4.1 | -7.5 | -5.4 | -4.6 | -13.8 | -7.2 | -2.2 | 6.7 | 3.7 | -1.4 | -1.7 |
| Textiles & Apparels | 3.5 | 2.8 | -22.3 | -22.2 | -23.1 | -26.3 | -17.0 | -10.2 | -5.4 | -4.4 | -6.9 | -4.7 |
| Hard Disk Drive | 3.6 | 1.8 | -29.8 | -37.7 | -29.6 | -28.7 | -18.5 | -16.7 | 0.3 | 1.7 | -3.2 | -6.1 |
| Others | 16.2 | 14.6 | -9.0 | -9.2 | -13.1 | -8.7 | -4.8 | -0.6 | 2.7 | 3.5 | 1.2 | -1.0 |
| MPI | 100 | 100 | -3.8 | -2.1 | -4.9 | -5.2 | -2.9 | -3.6 | 0.3 | -1.5 | -1.7 | -0.6 |
| MPI sa Δ% from last period | 100 | - | - | 2.0 | -1.8 | 0.6 | -3.3 | 1.1 | 1.0 | -0.8 | -0.6 | - |
| Capacity Utilization (SA) | - | 63.6 | 59.6 | 61.4 | 59.8 | 59.5 | 57.7 | 57.7 | 59.0 | 58.5 | 58.6 | - |

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

MPI Classified by Export Share



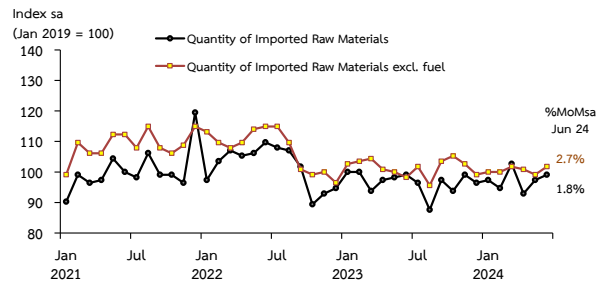
Sources: Office of Industrial Economics, calculated by Bank of Thailand

Capacity Utilization (sa)

| (%) | Share 2021 ^R | 2023 | 2023 | | | | 2024 | | | |
|--------------------------|-------------------------|------|------|------|------|------|------|------|------|------|
| | | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | May | Jun |
| Food & Beverages | 20.6 | 52.1 | 52.5 | 51.1 | 53.3 | 51.5 | 52.9 | 53.9 | 54.3 | 53.9 |
| Automotives | 11.3 | 69.4 | 75.4 | 72.1 | 69.4 | 61.0 | 57.2 | 60.6 | 59.0 | 56.9 |
| Petroleum | 10.8 | 84.7 | 85.4 | 84.1 | 85.2 | 84.2 | 83.8 | 86.7 | 82.1 | 88.7 |
| Chemicals | 10.0 | 67.4 | 67.0 | 66.7 | 68.6 | 67.3 | 65.6 | 68.1 | 67.8 | 68.2 |
| Rubbers & Plastics | 8.9 | 55.4 | 56.6 | 55.5 | 54.4 | 55.0 | 54.9 | 54.8 | 55.3 | 53.8 |
| Construction & Non-metal | 5.4 | 56.8 | 57.3 | 56.9 | 57.0 | 56.0 | 55.6 | 53.7 | 53.9 | 53.7 |
| IC & Semiconductors | 5.3 | 62.6 | 67.7 | 64.0 | 60.5 | 58.3 | 57.9 | 57.1 | 58.0 | 55.7 |
| Electrical Appliances | 4.4 | 54.8 | 56.9 | 55.6 | 53.6 | 53.0 | 53.6 | 56.5 | 56.4 | 55.6 |
| Textiles & Apparels | 3.5 | 40.0 | 41.7 | 40.4 | 39.3 | 38.3 | 39.5 | 40.6 | 41.3 | 39.9 |
| Hard Disk Drive | 3.6 | 46.8 | 51.0 | 48.0 | 44.9 | 43.3 | 44.9 | 49.0 | 49.0 | 49.4 |
| Others | 16.2 | 51.5 | 53.3 | 51.8 | 50.6 | 50.2 | 51.9 | 51.8 | 52.0 | 51.8 |
| CAPU sa | 100.0 | 59.6 | 61.4 | 59.8 | 59.5 | 57.7 | 57.7 | 59.0 | 58.5 | 58.6 |

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

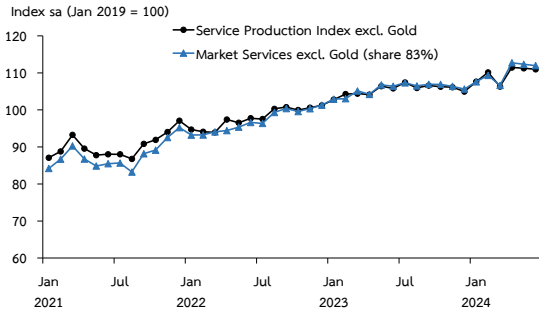
Other Indicators of Manufacturing Production



Note: * The latest data was estimated by Bank of Thailand.
Sources: NSO, OIE, Customs Department and seasonally adjusted by Bank of Thailand

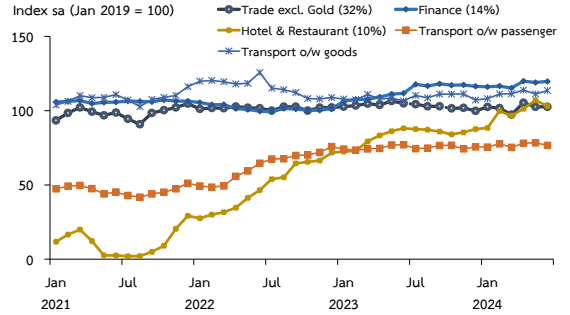
Service sector

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

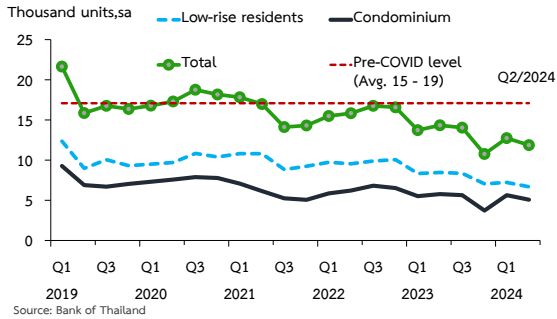
Service Production Index (SPI) by Sector

| (%YoY) | Share (2016) | 2023 | | | | 2024 | | | | %MoM sa | |
|----------------------------|--------------|------|-------|------|------|------|------|------|------|---------|------------------|
| | | 2023 | H1 | H2 | Q3 | Q4 | Q1 | Q2 | May | | Jun ^b |
| Trade excl. Gold | 32.2 | 1.5 | 2.5 | 0.6 | 1.7 | -0.5 | -3.2 | -1.6 | -3.4 | -2.2 | 0.0 |
| Transportation | 7.7 | 7.9 | 12.9 | 3.4 | 3.9 | 2.9 | 2.5 | 3.0 | 1.8 | 2.2 | -0.5 |
| o/w Goods | 2.5 | -5.7 | -10.0 | -1.0 | -3.3 | 1.4 | 1.3 | 4.8 | 2.5 | 6.5 | 2.1 |
| o/w Passenger | 5.2 | 20.7 | 38.7 | 6.9 | 10.1 | 4.0 | 3.3 | 1.7 | 1.3 | -1.1 | -2.3 |
| Hotel & Restaurant | 10.3 | 70.4 | 123.5 | 40.2 | 52.1 | 31.2 | 27.5 | 19.3 | 22.8 | 14.2 | -3.6 |
| Finance | 14.0 | 11.3 | 6.1 | 16.6 | 17.1 | 16.1 | 8.1 | 7.9 | 7.0 | 7.0 | 0.6 |
| Non-Market Services | 17.0 | 1.9 | 2.4 | 1.5 | 1.6 | 1.4 | 4.4 | 2.0 | 1.3 | 3.1 | 0.2 |
| SPI | 100.0 | 8.7 | 11.2 | 6.4 | 6.9 | 5.9 | 6.2 | 7.8 | 7.6 | 7.4 | -0.2 |
| SPI excl. Gold | 100.0 | 11.4 | 14.2 | 8.9 | 10.3 | 7.6 | 6.2 | 6.6 | 5.9 | 5.6 | -0.3 |
| Market Services excl. Gold | 83.0 | 13.0 | 16.3 | 10.1 | 11.8 | 8.5 | 6.4 | 7.3 | 6.6 | 5.9 | -0.3 |

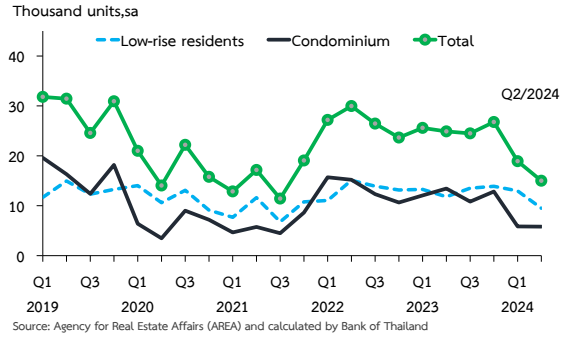
Note: Share to total service in GDP
 Source: Bank of Thailand

Real estate sector

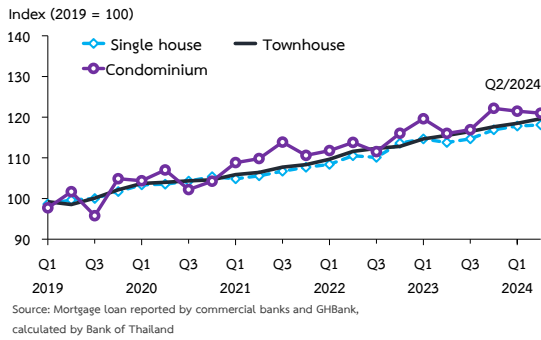
New Mortgage Loans from Commercial Banks in Bangkok and Vicinity Area



Newly Launched Properties in Bangkok and Vicinity Area



Housing Price Index



2.2 Domestic Demand

Private consumption remained stable from the previous month with an increase in consumption of non-durables, while other consumption categories declined. Private investment increased in both the machinery and equipment as well as construction. Public spending, excluding transfer payments, expanded from the same period last year, driven by central government expenditures after the Budget Act, B.E. 2567 came into effect. Meanwhile, investment expenditures of state-owned enterprises contracted from the same period last year.

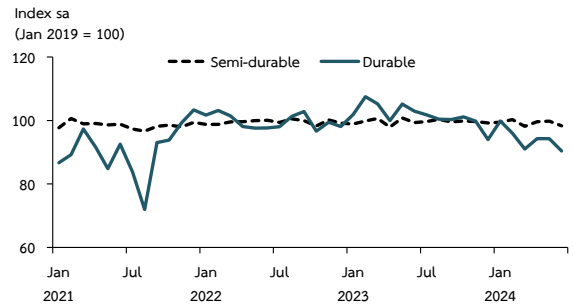
Private Consumption

Private Consumption Indicators (PCI)

| %YoY | 2022 | 2023 | 2023 | | 2024 | | | | | %MoM sa |
|--------------------------------|-------|-------|-------|------|------|------|------|------|------------------|---------|
| | | | H1 | H2 | H1 | Q1 | Q2 | May | Jun ^P | |
| Non-durables index | 1.5 | 2.7 | 2.8 | 2.5 | 3.4 | 4.1 | 2.6 | 0.7 | 3.8 | 1.4 |
| Semi-durables index | 1.1 | 0.1 | 0.1 | 0.1 | -0.3 | -0.5 | -0.1 | -1.0 | -1.1 | -1.5 |
| Durables index | 7.5 | 1.5 | 3.5 | -0.4 | -9.3 | -9.2 | -9.4 | -9.8 | -12.0 | -4.1 |
| Services index | 22.9 | 17.7 | 22.6 | 13.5 | 7.0 | 7.4 | 6.5 | 6.9 | 6.6 | -0.3 |
| (less) Net tourist expenditure | 971.6 | 110.8 | 231.6 | 55.0 | 46.0 | 47.3 | 44.4 | 23.5 | 24.4 | 1.9 |
| PCI | 8.5 | 6.8 | 7.7 | 5.8 | 1.7 | 1.8 | 1.6 | 0.8 | 1.5 | -0.2 |

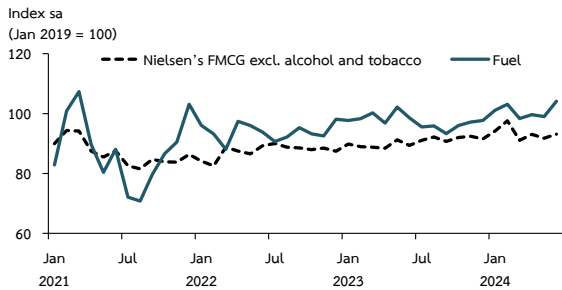
Note: %MoM is calculated from seasonally adjusted data P = Preliminary Data
Source: Bank of Thailand

Durable and Semi-durable Indices



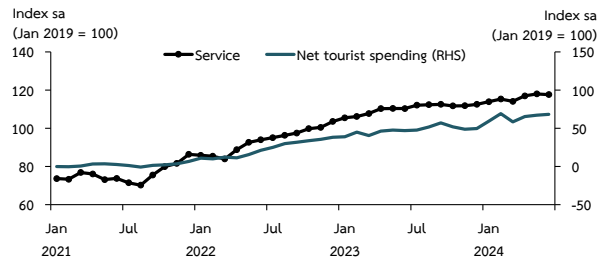
Source: Bank of Thailand

Nielsen's FMCG Index & Fuel Index



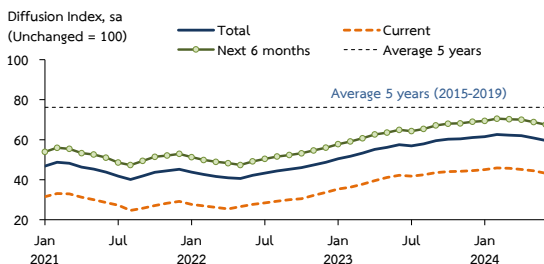
Source: The Nielsen company and Department of Energy Business, calculated by Bank of Thailand

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

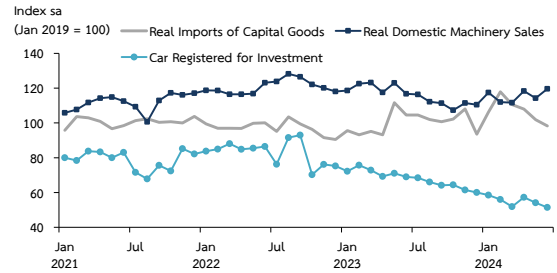
Private Investment

Private Investment Indicators

| % YoY | 2023 | 2023 | | 2024 | | | | %MoM sa | |
|--|-------|-------|-------|-----------------|-------|-----------------|-------|---------|------------------|
| | | H1 | H2 | H1 ^P | Q1 | Q2 ^P | May | | Jun ^P |
| Permitted Construction Area (4mma) | -2.4 | -4.3 | -0.5 | 10.3 | 9.9 | 10.7 | 8.4 | 5.3 | -2.7 |
| Construction Materials Index | -0.2 | -0.4 | 0.0 | -8.8 | -8.1 | -9.6 | -14.6 | -5.6 | 5.3 |
| Real Imports of Capital Goods | 3.4 | 1.0 | 5.8 | 8.5 | 18.2 | -0.5 | -8.7 | -5.6 | -3.5 |
| Real Domestic Machinery Sales | -3.9 | 1.8 | -9.5 | -4.1 | -7.9 | -1.4 | -7.2 | 2.8 | 4.7 |
| Newly Registered Motor Vehicles for Investment | -18.2 | -16.3 | -20.5 | -23.6 | -24.8 | -22.3 | -23.6 | -25.4 | -4.9 |
| Private Investment Index | -1.4 | -0.1 | -2.6 | 1.9 | -0.3 | 1.0 | -3.6 | 1.3 | 0.6 |

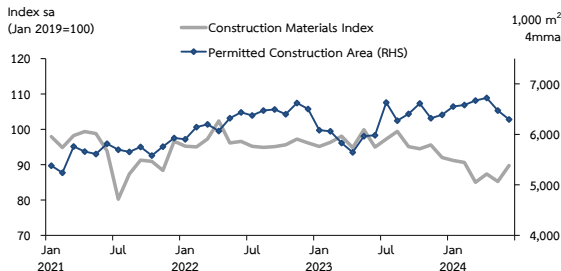
Note: %MoMsa is calculated from seasonally adjusted data. P - Preliminary Data. Source: Bank of Thailand

Investment in Machinery and Equipment



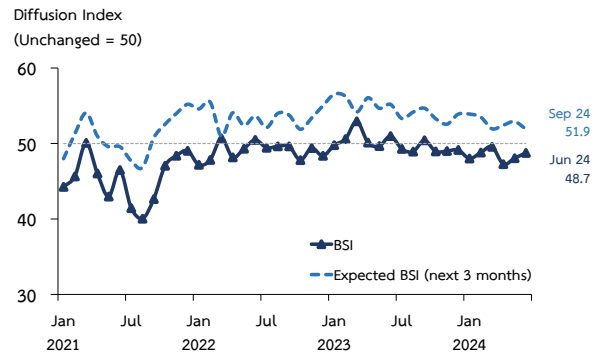
Note: All data is in real terms. Source: Department of Land Transport, Customs Department, Revenue Department, calculated by Bank of Thailand

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

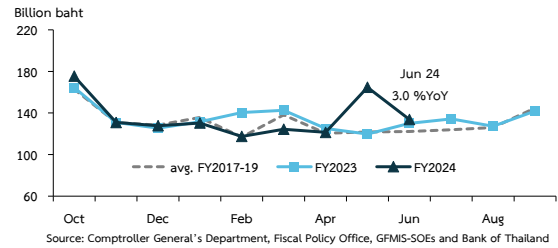
Fiscal position and public expenditure

Fiscal Position (Cash Basis)

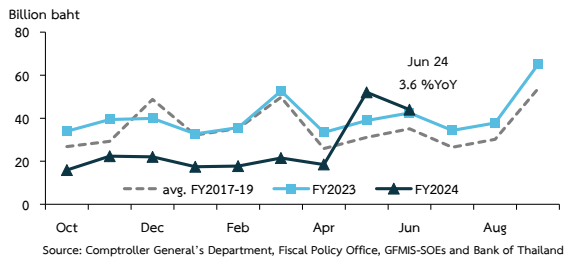
| Billion baht | FY23 | FY23 | | | | FY24 | | | FY24 | |
|-------------------------------|-------|--------|--------|-------|--------|--------|---------|-----------------|---------|------------------|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 ^P | May | Jun ^P |
| Budgetary B/L | -518 | -345 | -231 | 34 | 25 | -328 | -48 | -89 | -169 | 83 |
| Revenue | 2,665 | 640 | 518 | 799 | 709 | 623 | 541 | 837 | 267 | 376 |
| (%YoY) | (4.5) | (20.1) | (-9.4) | (1.5) | (7.4) | (-2.6) | (4.3) | (4.7) | (23.4) | (-0.5) |
| Expenditure ^{1/} | 3,183 | 984 | 750 | 765 | 684 | 951 | 589 | 926 | 435 | 293 |
| (%YoY) | (4.2) | (1.0) | (13.1) | (7.4) | (-3.2) | (-3.4) | (-21.4) | (20.5) | (120.8) | (-13.9) |
| Non-Budgetary B/L | 16 | -37 | -1 | 140 | -86 | 54 | -142 | 156 | 38 | 79 |
| Cash B/L (CG) | -501 | -381 | -232 | 174 | -62 | -274 | -190 | 67 | -131 | 162 |
| Primary balance ^{2/} | -325 | -299 | -222 | 252 | -56 | -171 | -177 | 151 | -124 | 236 |
| Net Financing | 364 | 130 | 54 | -6 | 186 | -55 | 355 | 8 | 95 | -106 |
| Net Cashflow | -85 | -252 | -179 | 159 | 186 | -329 | 165 | 75 | -36 | 56 |
| Treasury B/L | 539 | 372 | 194 | 353 | 539 | 210 | 375 | 450 | 394 | 450 |

Note: 1/ Includes cash payments for operating and purchase of non-financial assets, except loan repayments
2/ Excludes interest payment

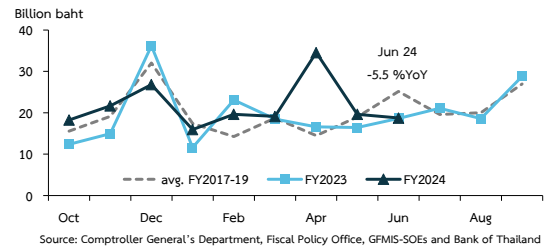
Central Government Current Expenditure
(Excl. Subsidies/Grants and Other)



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



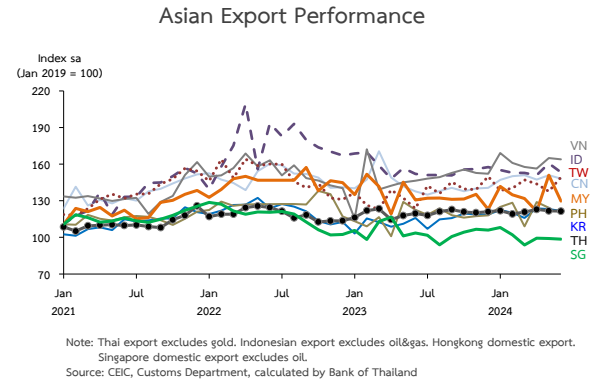
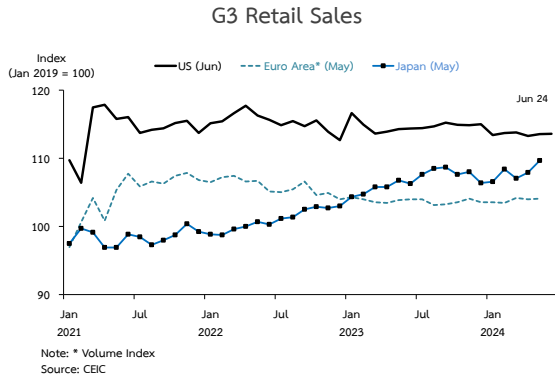
State Owned Enterprises Capital Expenditure



2.3 The Global Economy and External Sector

The value of merchandise exports, excluding gold and after seasonal adjustment, decreased from the previous month, mainly from agricultural and electronic products. Tourism revenue, after seasonal adjustment, decreased in line with lower number of foreign tourists. The current account registered a higher surplus mainly from a smaller deficit in the net service, income and transfers, while the surplus in the trade balance remained close to the previous month.

The global economy



External sector

Export Value

May 2024 = 25.9 Bn USD (7.5%YoY) Jun 2024 = 24.6 Bn USD (0.3%YoY)
Excl. Gold = 25.3 Bn USD (6.2%YoY) Excl. Gold = 24.1 Bn USD (-1.1%YoY)

| %YoY | Share 2023 | 2023 | | 2024 | | | | | | %MoM sa |
|--------------------------------|------------|-------|-------|-------|------|------|-------|-------|-------|---------|
| | | 2023 | | H1 | H2 | H1 | Q1 | Q2 | May | |
| Agriculture | 7.2 | 3.9 | 0.4 | 8.2 | 6.9 | 4.5 | 8.5 | 45.9 | -2.6 | -13.2 |
| Fishery | 0.5 | -8.4 | -6.6 | -10.2 | -0.4 | 16.8 | -14.2 | -16.5 | -19.5 | -4.9 |
| Manufacturing | 88.8 | -0.9 | -4.1 | 2.5 | 2.0 | 0.4 | 3.7 | 2.3 | -1.4 | 0.6 |
| Agro-manufacturing | 13.3 | -3.7 | -3.9 | -3.6 | -1.5 | -4.6 | 1.7 | 0.6 | -4.8 | -1.7 |
| Electronics | 11.6 | -3.6 | -7.1 | -0.2 | 17.1 | 6.6 | 27.4 | 38.1 | 13.2 | -4.5 |
| Electrical Appliances | 9.6 | 4.0 | 6.8 | 1.0 | -4.8 | -4.4 | -5.3 | -9.2 | -8.2 | 3.0 |
| Automotive | 15.9 | 10.4 | 8.8 | 12.0 | -1.2 | -5.3 | 3.3 | -6.4 | 4.7 | 8.7 |
| Machinery & Equipment | 8.3 | -0.8 | -1.1 | -0.5 | 3.0 | -1.4 | 7.5 | 2.8 | -1.8 | 5.4 |
| Petroleum Related | 11.0 | -10.6 | -19.7 | 0.3 | 13.8 | 4.6 | 22.5 | 29.3 | 23.5 | 6.4 |
| Total (BOP Basis) | 100.0 | -1.5 | -4.8 | 1.9 | 1.7 | -1.1 | 4.5 | 7.5 | 0.3 | -0.9 |
| Excl. Gold | | -1.2 | -3.7 | 1.5 | 1.9 | -0.6 | 4.3 | 6.2 | -1.1 | -0.7 |
| Excl. Gold & Petroleum Related | | 0.2 | -1.3 | 1.6 | 0.4 | -1.3 | 2.0 | 3.3 | -4.2 | -1.6 |

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.
%MoMsa calculated from seasonally adjusted data, using data since 2007 (subject to revision).
Source: Compiled from Customs Department's data

Import Value

May 2024 = 23.1 Bn USD (-2.2%YoY) Jun 2024 = 22.2 Bn USD (-0.1%YoY)
Excl. Gold = 22.2 Bn USD (-2.8%YoY) Excl. Gold = 21 Bn USD (-2.2%YoY)

| %YoY | Share 2023 | 2023 | | 2024 | | | | | | %MoM sa |
|---------------------------------|------------|-------|-------|-------|------|------|------|------|------|---------|
| | | 2023 | | H1 | H2 | H1 | Q1 | Q2 | May | |
| Consumer | 13.4 | 8.5 | 9.0 | 8.0 | -2.4 | -3.6 | -1.1 | -6.4 | -0.6 | 9.2 |
| Raw material & Intermediate | 64.0 | -7.8 | -8.3 | -7.2 | -1.3 | -2.1 | -0.5 | 1.1 | -1.1 | 1.9 |
| o/w Fuel | 17.5 | -12.8 | -8.9 | -16.7 | -5.6 | -4.1 | -7.0 | 1.7 | -4.2 | -0.3 |
| o/w Raw mat & Interm excl. Fuel | 46.5 | -5.7 | -8.0 | -3.3 | 0.4 | -1.4 | 2.1 | 0.9 | 0.1 | 2.8 |
| Capital | 18.6 | 6.7 | 4.2 | 9.4 | 12.1 | 24.0 | 1.2 | -9.6 | -5.0 | -3.7 |
| Others | 4.0 | -22.5 | -13.3 | -28.8 | 54.6 | 45.4 | 62.5 | 11.0 | 47.9 | 29.4 |
| Total (BOP Basis) | 100.0 | -3.8 | -3.3 | -4.3 | 2.3 | 3.3 | 1.2 | -2.2 | -0.1 | 3.6 |
| Excl. Gold | | -2.8 | -2.8 | -2.7 | 0.1 | 1.5 | -1.3 | -2.8 | -2.2 | 2.2 |
| Excl. Gold & Fuel | | -0.2 | -1.2 | 1.0 | 1.5 | 2.9 | 0.1 | -3.8 | -1.7 | 2.8 |

Note: 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.
%MoMsa calculated from seasonally adjusted data, using data since 2007 (subject to revision).
Source: Compiled from Customs Department's data

Balance of payments

Balance of Payments

| Billion USD | 2023 ^P | 2023 ^P | | 2024 ^E | | | | |
|----------------------------------|-------------------|-------------------|-------|-------------------|------|------|------|------|
| | | H1 | H2 | H1 | Q1 | Q2 | May | Jun |
| Trade Balance | 19.4 | 7.8 | 11.6 | 7.1 | 1.6 | 5.5 | 2.8 | 2.4 |
| Exports (f.o.b.) | 280.7 | 140.5 | 140.2 | 142.9 | 69.6 | 73.3 | 25.9 | 24.6 |
| %YoY | -1.5 | -4.8 | 1.9 | 1.7 | -1.1 | 4.5 | 7.5 | 0.3 |
| Imports (f.o.b.) | 261.4 | 132.7 | 128.6 | 135.8 | 68.0 | 67.8 | 23.1 | 22.2 |
| %YoY | -3.8 | -3.3 | -4.3 | 2.3 | 3.3 | 1.2 | -2.2 | -0.1 |
| Net Services, Income & Transfers | -9.8 | -5.6 | -4.2 | -2.0 | 1.0 | -3.0 | -2.2 | -0.5 |
| Current Account | 9.6 | 2.2 | 7.5 | 5.2 | 2.6 | 2.6 | 0.6 | 2.0 |
| Capital and Financial Account | -11.9 | -4.4 | -7.6 | | -3.6 | | | |
| Overall Balance | 2.6 | -0.6 | 3.2 | 4.0 | 1.8 | 2.1 | 0.6 | 0.6 |

Note: P = preliminary data, E = estimated data
Source: Bank of Thailand

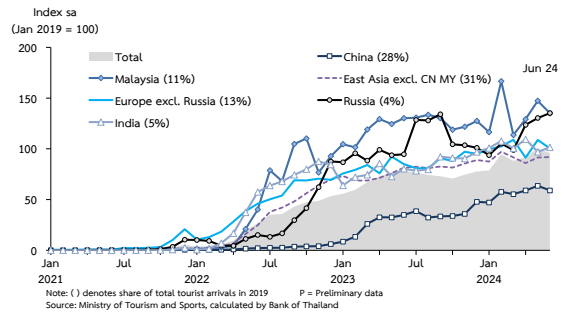
Foreign tourist arrivals

Inbound Tourists by Country of Origin

| Thousand persons* (Share in 2019) | 2023 | 2023 | | 2024 | | | | |
|--|----------|----------|----------|----------|---------|---------|---------|---------|
| | | H1 | H2 | H1 | Q1 | Q2 | May | Jun |
| China (27.9%) | 3,521.1 | 1,443.1 | 2,078.0 | 3,439.5 | 1,756.3 | 1,683.1 | 559.5 | 528.1 |
| Malaysia (10.7%) | 4,626.4 | 2,139.9 | 2,486.6 | 2,436.0 | 1,168.6 | 1,267.4 | 442.6 | 423.6 |
| East Asia ex. China & Malaysia (30.7%) | 9,252.4 | 4,210.8 | 5,041.7 | 5,225.2 | 2,646.1 | 2,579.0 | 843.1 | 939.3 |
| Russia (3.7%) | 1,482.6 | 791.6 | 691.0 | 921.0 | 622.8 | 298.2 | 81.3 | 72.5 |
| Europe ex. Russia (12.6%) | 4,479.6 | 2,190.5 | 2,289.2 | 2,766.0 | 1,871.6 | 894.4 | 262.6 | 253.0 |
| India (4.9%) | 1,628.5 | 761.5 | 867.1 | 1,040.1 | 473.0 | 567.1 | 199.0 | 197.5 |
| US (2.8%) | 930.2 | 458.3 | 471.9 | 507.3 | 280.2 | 227.0 | 68.3 | 83.5 |
| Others (6.6%) | 2,229.1 | 969.8 | 1,259.3 | 1,166.3 | 551.6 | 614.7 | 177.2 | 242.9 |
| Total (non sa) | 28,150.0 | 12,965.4 | 15,184.6 | 17,501.3 | 9,370.3 | 8,131.0 | 2,633.5 | 2,740.4 |
| %YoY | 154.4 | 531.6 | 68.5 | 35.0 | 43.5 | 26.3 | 30.8 | 22.3 |
| %HoHsa, %QoQsa, MoMsa | | 56.0 | 8.9 | 23.0 | 17.3 | 10.3 | 9.2 | -4.4 |

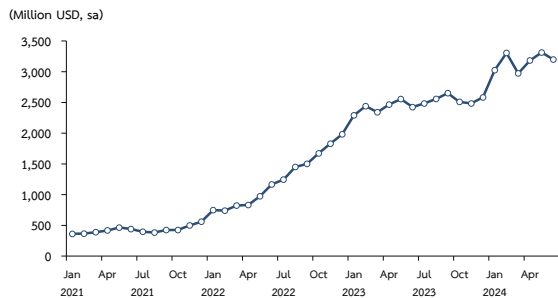
Note: * Non seasonally adjusted data P = Preliminary data
Source: Ministry of Tourism and Sports

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

Tourism Receipts



Note: Tourist receipts subject to revision due to instable seasonal adjustment
Source: Ministry of Tourism and Sports, calculated by Bank of Thailand

2.4 Monetary and Financial Conditions

Total outstanding amount of corporate financing decreased from the previous month from corporate bonds and business credits. Net credit extended to household, however, remained stable compared to the previous month, with auto loans and housing loans being deteriorated due to declining credit quality as well as vigilant lending from financial institutions, while expansion in credit card and other personal loans continued. As for exchange rates, the baht against the U.S. dollar, on average, slightly depreciated due to higher-than-expected U.S. non-farm payroll report, which caused the market to adjust their expectations that the Federal Reserve will maintain a high interest rate for an extended period.

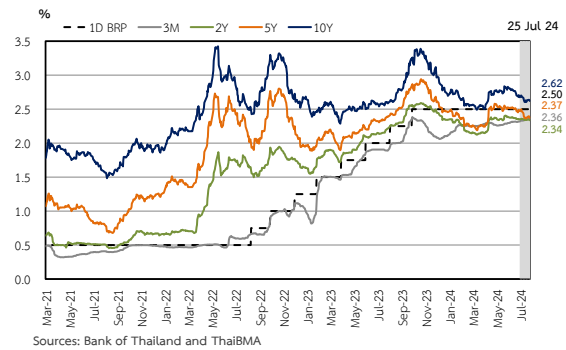
Interest rates

Commercial Bank Interest Rates*

| % p.a | 2021 | 2022 | | | | 2023 | | | | 2024 | | | |
|---|------|------|------|------|------|------|------|------|------|------|------|------|--------|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Jun | 25 Jul |
| 12-month deposit rate | | | | | | | | | | | | | |
| Average of 6 largest Thai banks** | 0.45 | 0.45 | 0.45 | 0.5 | 0.98 | 1.15 | 1.40 | 1.49 | 1.65 | 1.65 | 1.65 | 1.65 | 1.65 |
| Average of other Thai banks | 0.89 | 0.84 | 0.84 | 0.93 | 1.04 | 1.26 | 1.48 | 1.68 | 1.89 | 1.84 | 1.83 | 1.83 | 1.83 |
| Average of foreign branches and subsidiary*** | 0.53 | 0.53 | 0.56 | 0.57 | 0.72 | 0.80 | 1.03 | 1.03 | 1.16 | 1.16 | 1.16 | 1.16 | 1.21 |
| MLR | | | | | | | | | | | | | |
| Average of 6 largest Thai banks | 5.49 | 5.49 | 5.49 | 5.55 | 6.00 | 6.56 | 7.00 | 7.04 | 7.25 | 7.25 | 7.25 | 7.25 | 7.25 |
| Average of other Thai banks | 6.71 | 6.71 | 6.71 | 6.71 | 7.19 | 7.67 | 8.00 | 8.00 | 8.22 | 8.22 | 8.22 | 8.22 | 8.22 |
| Average of foreign branches and subsidiary | 6.79 | 6.79 | 6.79 | 6.79 | 6.76 | 6.89 | 7.13 | 7.21 | 7.24 | 7.24 | 7.29 | 7.29 | 7.29 |
| MRR | | | | | | | | | | | | | |
| Average of 6 largest Thai banks | 6.08 | 6.08 | 6.08 | 6.13 | 6.30 | 6.81 | 7.20 | 7.24 | 7.45 | 7.45 | 7.41 | 7.41 | 7.41 |
| Average of other Thai banks | 7.32 | 7.32 | 7.32 | 7.32 | 7.74 | 8.11 | 8.49 | 8.49 | 8.76 | 8.76 | 8.72 | 8.72 | 8.72 |
| Average of foreign branches and subsidiary | 7.91 | 7.91 | 7.91 | 7.91 | 7.91 | 8.00 | 8.15 | 8.15 | 8.16 | 8.16 | 8.25 | 8.25 | 8.25 |

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

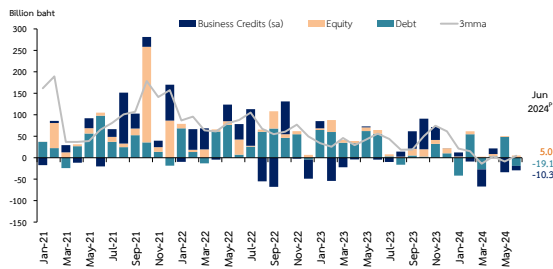
Government Bond Yields



Sources: Bank of Thailand and ThaiBMA

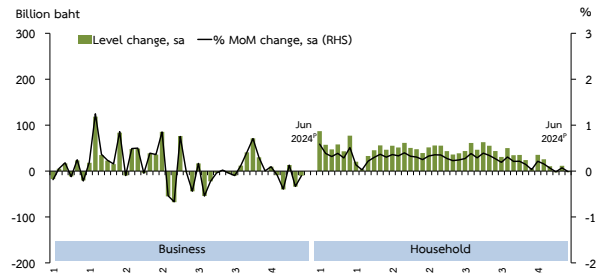
Corporate financing

Changes in Total Corporate Financing



Note: Business credits : 1.) net changes in outstanding loans extended by other depository corporations, other financial corporations, non-residents and others; 2.) excluded the effect of FX valuation change
 Debt : net changes in outstanding bonds (par value) excludes SOE and Rehabilitation bonds;
 Equity : new issuance at par value
 Sources: Bank of Thailand, ThaiBMA, SET

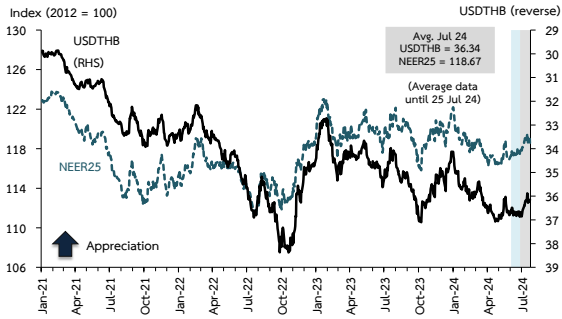
Net Changes in Outstanding Loans



Note: 1.) net changes in outstanding loans extended by other depository corporations, other financial corporations, non-residents and others.
 2.) business loans excluded the effect of FX valuation change
 3.) * is preliminary

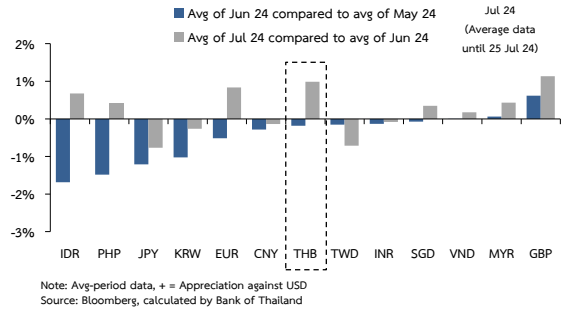
Exchange rates

Exchange Rates



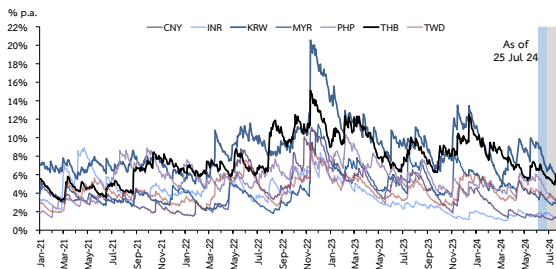
Note: Monthly average rate
Source: Bloomberg, calculated by Bank of Thailand

Exchange Rate Movement



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

Regional Exchange Rate Volatility



Source: Bank of Thailand, Bloomberg

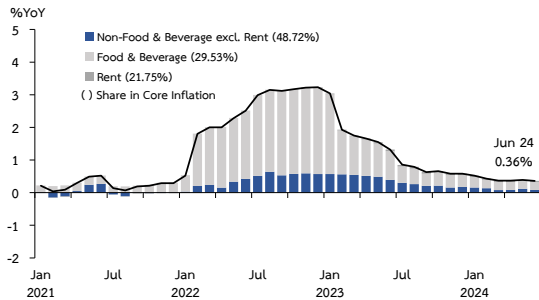
2.5 Financial Stability

Headline inflation declined from the previous month mainly from energy and raw food categories. Meanwhile, core inflation remained stable. The labor market conditions improved both in the service and manufacturing sectors.

Inflation

Headline Inflation Contribution

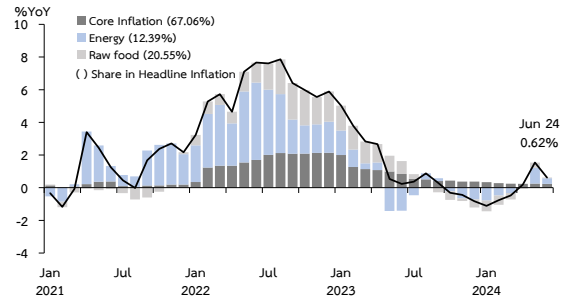
| | 2023 | | 2023 | | | | 2024 | | | |
|---------------|------|------|------|------|------|------|------|------|------|-------|
| | H1 | H2 | Q3 | Q4 | H1 | Q1 | Q2 | May | Jun | |
| %YoY | 1.27 | 1.87 | 0.68 | 0.75 | 0.61 | 0.41 | 0.44 | 0.37 | 0.39 | 0.36 |
| %QoQsa, MoMsa | - | - | - | 0.08 | 0.19 | - | 0.09 | 0.02 | 0.05 | -0.03 |



Source: Ministry of Commerce, calculated by Bank of Thailand

Core Inflation Contribution

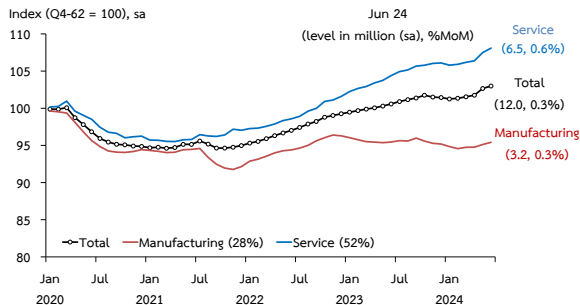
| | 2023 | | 2023 | | | | 2024 | | | |
|---------------|------|------|-------|------|-------|------|-------|------|------|-------|
| | H1 | H2 | Q3 | Q4 | H1 | Q1 | Q2 | May | Jun | |
| %YoY | 1.23 | 2.49 | -0.01 | 0.52 | -0.53 | 0.00 | -0.79 | 0.78 | 1.54 | 0.62 |
| %QoQsa, MoMsa | - | - | - | 0.53 | -0.46 | - | 0.10 | 0.60 | 0.26 | -0.22 |



Source: Ministry of Commerce, calculated by Bank of Thailand

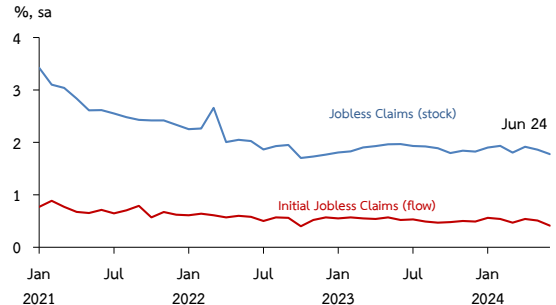
Labor market

Total Contributors in Section 33*



Note: * Employees who contribute to social security system (Section 33) account for 31% of total employment.
 ** Manufacturing sector accounts for 28% of total contributors, while service sector accounts for 52% of total contributors.
 Source: Social Security office, calculated by Bank of Thailand

Ratio of Jobless Claims (Section 38) to Total Contributors*



Note: Employees who contribute to social security system (Section 33) account for 31% of total employment.
 * Includes employees under section 33 and section 38
 Source: Social Security office, calculated 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 |