



KEY HIGHLIGHT

- **The Thai economy in January expanded from the previous month**, supported by improvements in both domestic and external demand.
 - **External demand** increased as **merchandise exports excluding gold** rose, driven by ongoing growth in electronics, alongside higher **foreign tourist arrivals and tourism receipts**.
 - **Domestic demand** increased, underpinned by higher **private consumption** and **private investment**, especially in the vehicle category, partly due to temporary factors. **Government spending** expanded but at a slower pace, mainly from the slowdown in capital expenditure.
 - **Supply-side conditions** remained stable. Overall **services** slightly contracted mainly due to a contraction in construction activity after its sharp increase in the previous month, but tourism and trade-related services continued to expand. Meanwhile, **manufacturing production** remained broadly unchanged.
- **Headline inflation became more negative**, mainly due to raw food and energy prices. Meanwhile, core inflation remained positive and remained broadly stable compared to the previous month.
- **Key issues to monitor:** (1) U.S. trade policy and geopolitical uncertainty (2) the recovery of the tourism sector, (3) business liquidity conditions and the adaptability of the manufacturing sector, and (4) the FY2027 budget process and government measures.

Economic Stability

Headline Inflation

-0.66%

Core Inflation

0.60%

from previous year

Current Account Balance

0.7

Billion USD



Private Consumption

1.0%

from previous month



Private Investment

2.7%

from previous month



Government Expenditure (excl. Transfer)

6.7%

from previous year



Export Value (excl. gold)

7.0%

from previous month



Import Value (excl. Gold)

10.1%

from previous month



Number of Tourist Arrivals

4.8%

from previous month

Thailand's economy in January expanded from the previous month, supported by higher merchandise exports excluding gold, particularly electronics, which continued to grow. Exports of gems and jewelry and petroleum products also increased, albeit temporarily, reflecting firm-specific factors. Tourism also improved, reflected in higher foreign tourist arrivals and tourism receipts. Domestic demand strengthened, with both private consumption and investment rising. Vehicles sales recorded notable growth, driven by accelerated purchases ahead of the expiration of the EV 3.0 scheme, ongoing deliveries, and the extension of the registration deadline to end-January. As a result, tourism and trade-related activities expanded. However, government spending grew at a slower pace following earlier front-loading of capital expenditures, leading to a decline in construction activity and a slight moderation in overall services. Manufacturing production remained broadly stable compared to the previous month.

On the economic stability front, headline inflation became more negative, driven primarily by lower raw food and energy prices. Core inflation remained positive and broadly stable from the previous month, reflecting higher vehicle prices following excise tax adjustments, but offset by declines in personal care prices from promotional activities. The current account recorded a surplus, supported by net services, income, and transfers, despite a trade deficit from higher import values.

Thai Economic Conditions



Demand side indicators

Private consumption

Private consumption indicators, after seasonal adjustment, moderated from the previous month following the end of economic stimulus measures, reflecting weaker spending on **non-durable** and **semi-durable** goods. Nevertheless, **durable goods** consumption continued to expand, supported by higher vehicle sales, particularly passenger cars, partly due to accelerated purchases ahead of the EV 3.0 scheme and ongoing deliveries. **Services** spending also increased, led by hotels and restaurants, in line with higher foreign tourism receipts. **Consumer confidence** improved from the previous month, supported by expectations surrounding the formation of the new government and anticipated policy measures.

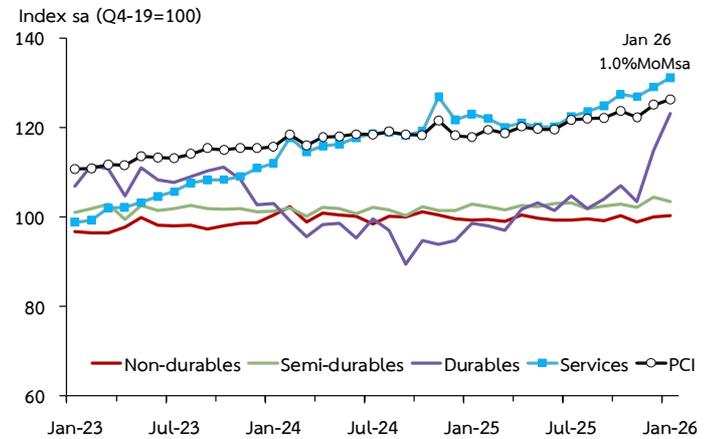
Private investment

Private investment indicators, after seasonal adjustment, expanded from the previous month across all categories. Investment in **machinery and equipment** increased, supported by higher net imports of capital goods, particularly communication equipment and electrical machinery. Investment in **vehicles** also rose, following the extension of the EV 3.0 registration deadline to end-January 2026. **Construction** investment slightly increased, driven by higher non-residential construction in line with permitted construction areas, particularly for hotels and commercial buildings. In contrast, residential construction declined.

Foreign tourist arrivals and receipt

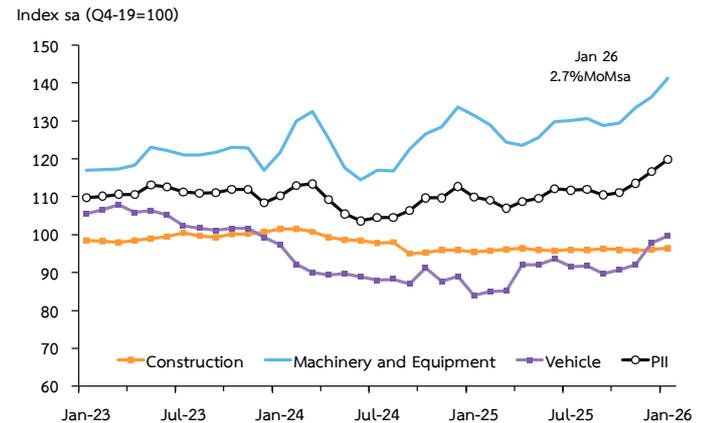
The number of foreign tourist arrivals and tourism receipts, after seasonal adjustment, increased from the previous month, driven mainly by short-haul markets, particularly Malaysian tourists, recovering after earlier travel delays caused by flooding in the southern region. Long-haul arrivals also increased, mainly by visitors from the U.S. and the U.K.

PCI by Major Categories



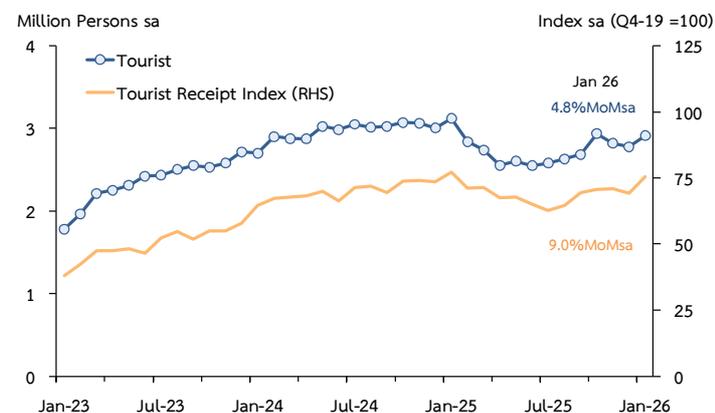
Note: PCI by category reflects domestic expenditures, including those by foreign tourists. However, the aggregate PCI excludes foreign tourist expenditures and includes Thai tourist expenditures abroad to accurately reflect Thai private consumption.
Source: Bank of Thailand

PII by Major Categories



Note: Private Investment Indicators data for the first half of 2025 has been revised to reflect updated information and methodological refinements.
Source: Bank of Thailand

Number of Tourists and Tourism Receipt

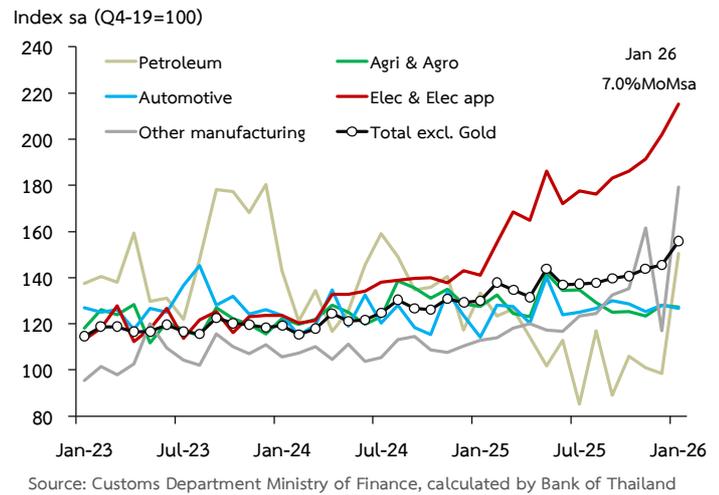


Note: Tourism receipt excludes health, education, excursionist and acquisition of goods and services by short-term workers and is subject to revision due to unstable seasonal adjustment.
Source: Ministry of Tourism and Sports, calculated by Bank of Thailand

Export Value

The value of merchandise exports, excluding gold and after seasonal adjustment, expanded from the previous month, driven by **electronics**, particularly computer parts and telecommunications equipment to the U.S., and electronic circuits and components to Europe. Export of **gems and jewelry** to India and **petroleum products** to ASEAN also increased, driven by firm-specific factors. However, exports of **agro-manufacturing products** declined, mainly due to lower shipments of processed food to the U.S. and palm oil to India. **Automotive and auto parts** exports also decreased, particularly pickup trucks to Australia, Mexico, the Middle East, and ASEAN.

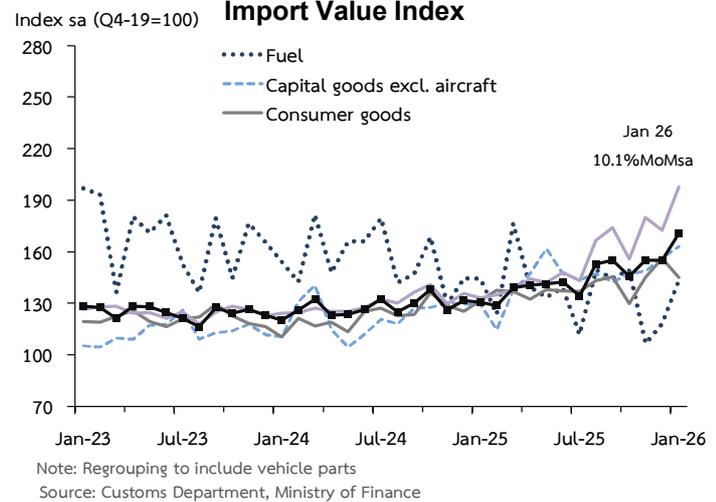
Thai Export Classified by Products



Import Value

The value of merchandise imports, excluding gold and after seasonal adjustment, increased from the previous month. The rise was driven by higher imports of **raw materials and intermediate goods excluding fuel**, particularly electronic components and electrical appliances from Taiwan, partly reflecting concerns over global chip shortages. Import of **capital goods excluding aircraft** also increased, led mainly by computer imports from China. **Fuel** imports rose across all categories, including natural gas, crude oil, coal, and petroleum products. In contrast, **consumer goods** imports declined, reflecting lower durable goods imports, especially electric vehicles from China following earlier front-loaded shipments.

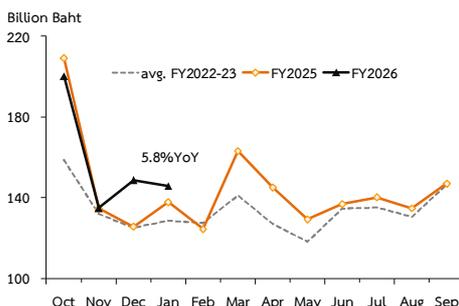
Import Value Index



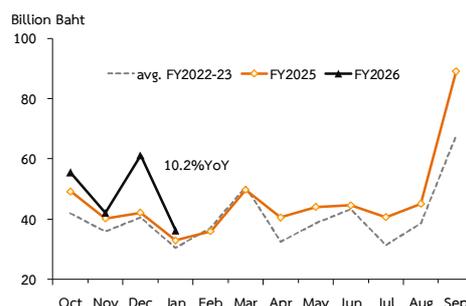
Fiscal position and public expenditure

Government expenditure expanded from the same period last year, although the pace moderated following the earlier acceleration of central government capital disbursements in the previous month, particularly rollover budget disbursements under the FY2025 economic stimulus program. Capital spending by state-owned enterprises (SOEs) also declined, in line with planned investment in transport infrastructure. Nevertheless, central government current expenditure continued to increase, supported by disbursements related to election and referendum expenses, as well as pension payments.

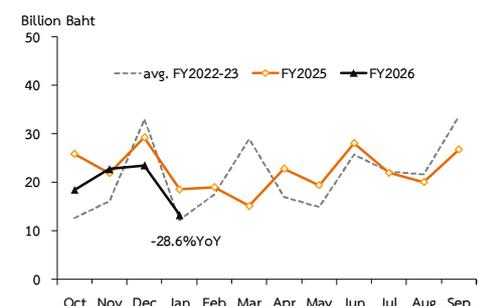
Central Government Current Expenditure (Excl. Subsidies/Grants and other)



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



State Owned Enterprises Capital Expenditure



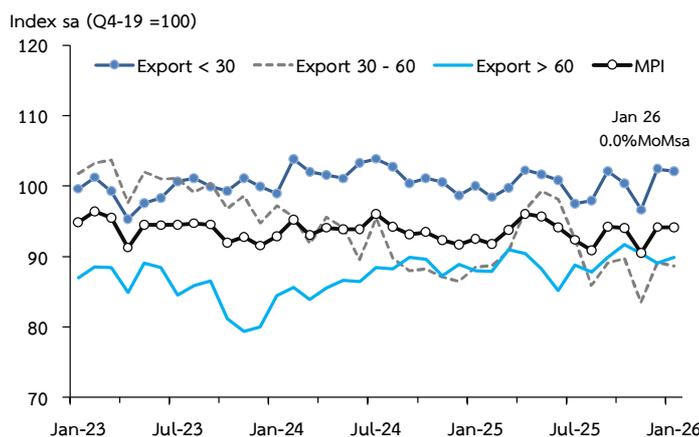
Note: * Excluded expenditure from 1 trillion and 500 billion Baht Emergency Decree loans
Source: Comptroller General's Department, Fiscal Policy Office, GFMS-SOEs and Bank of Thailand



Manufacturing sector

The manufacturing production index, after seasonal adjustment, remained stable from the previous month. Production by firms with export shares below 30 percent declined, reflecting lower output of construction materials amid subdued domestic real estate demand. Production in firms with export share between 30–60 percent also declined, driven by lower production of motorcycles and furniture. In contrast, production in firms with export share exceeding 60 percent increased, led by electronics such as electronic components and hard disk drives, in line with continued export growth.

MPI Classified by Export Share

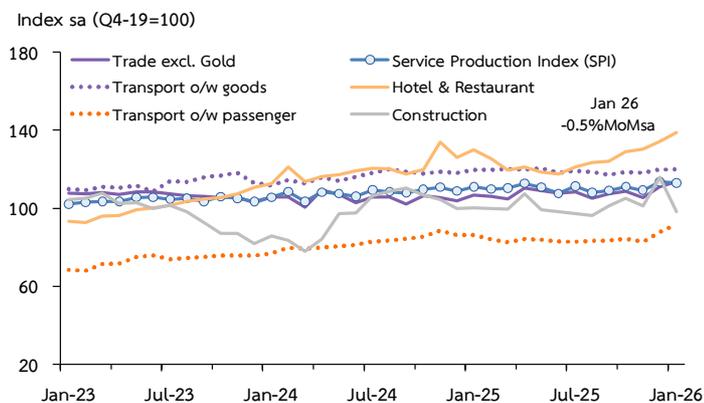


Source: Office of Industrial Economics, calculated by Bank of Thailand

Service sector

Service sector indicators, excluding gold trading and after seasonal adjustment, slightly declined from the previous month, reflecting softer construction activity following a surge in the previous month, consistent with slower growth in government capital expenditures. Nevertheless, trade and tourism-related activities - including hotels, restaurants, and passenger transport services - continued to expand, supported by higher foreign tourist arrivals and rising exports.

Service Production Index (SPI) by Sector

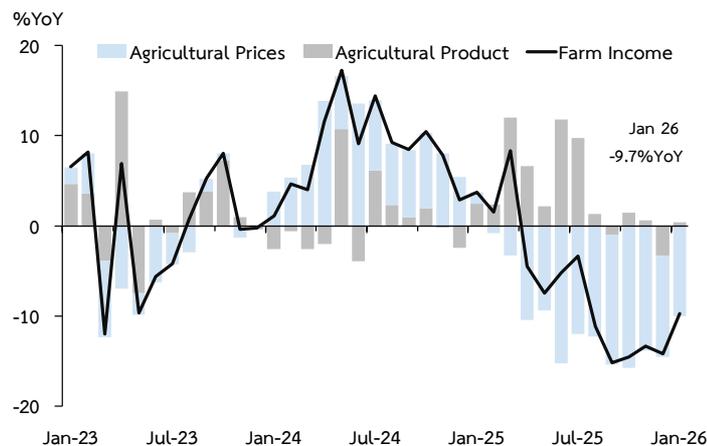


Note: SPI = Service Production Index (Excludes public administration and services, and gold activities)
Source: Bank of Thailand

Agricultural sector

Farmers' income contracted from the same period last year, primarily due to continued declines in agricultural prices, including rubber, rice, palm oil, and sugarcane, amid ample domestic and global supply and weaker demand for rubber from China. Agricultural production, however, slightly increased, supported by a delayed sugarcane harvest following heavy rainfall in the previous month. Rubber and oil palm production also continued to expand under favorable weather conditions.

Nominal Farm Income



Source: Office of Agricultural Economics (OAE), calculated by Bank of Thailand

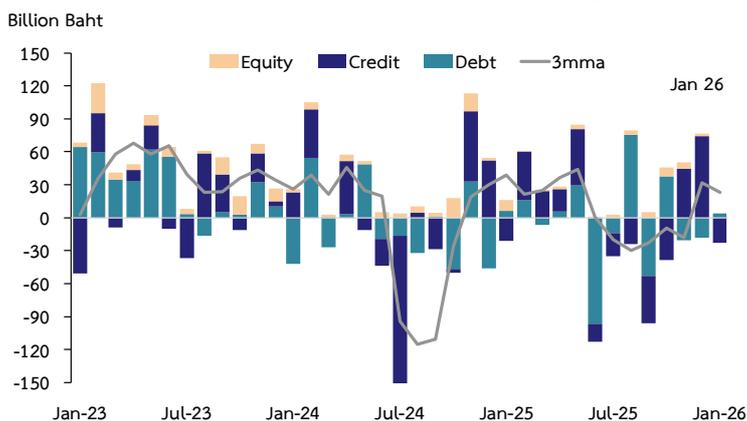
Monetary Conditions and Economic Stability



Corporate financing, interest rates and exchange rates

Overall corporate financing declined from the previous month, mainly due to lower net credit financing. **Net credit financing** declined across most sectors as financial institutions remained cautious in approving loans amid heightened business risks, although lending increased in some sectors such as electronic components, food and beverages, and rubber and plastics. However, financing via bond and equity markets expanded, primarily for debt repayment and working capital purposes. **Debt financing** rose slightly, led by food and beverages as well as information technology firms, while **equity financing** increased among agro-manufacturing businesses. Regarding **the cost of debt financing**, from 31 January to 24 February 2026, both short- and long-term Thai government bond yields declined on average, indicating higher investor demand.

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
3.) there is an adjustment of Oct-24 datapoint for 3 financial institutions using BOT's new reporting system

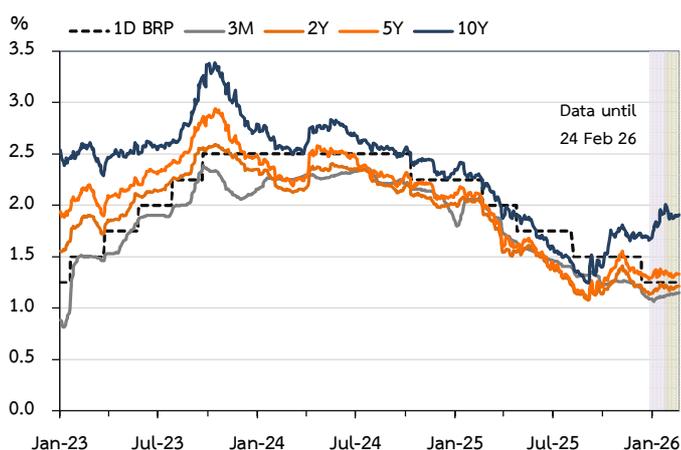
Debt : net changes in outstanding bonds (par value) excludes SOE and Rehabilitation bonds;

Equity : new issuance at par value

P = Preliminary Data

Sources: Bank of Thailand, ThaiBMA, SET

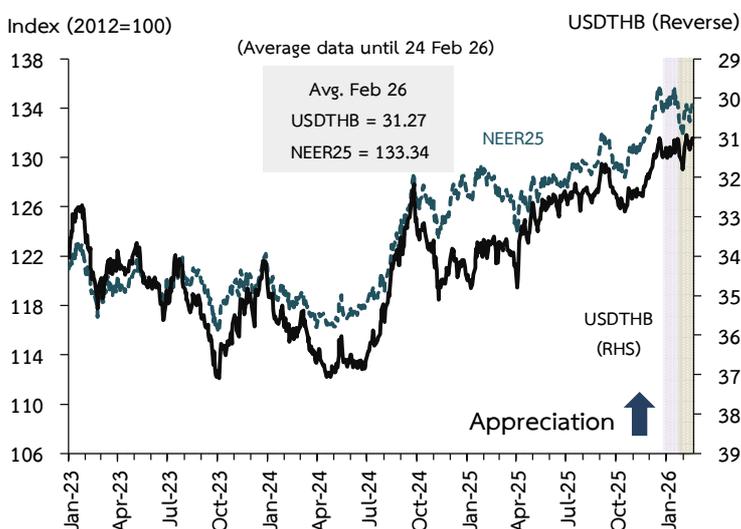
Government Bond Yields



Source: Bank of Thailand and ThaiBMA

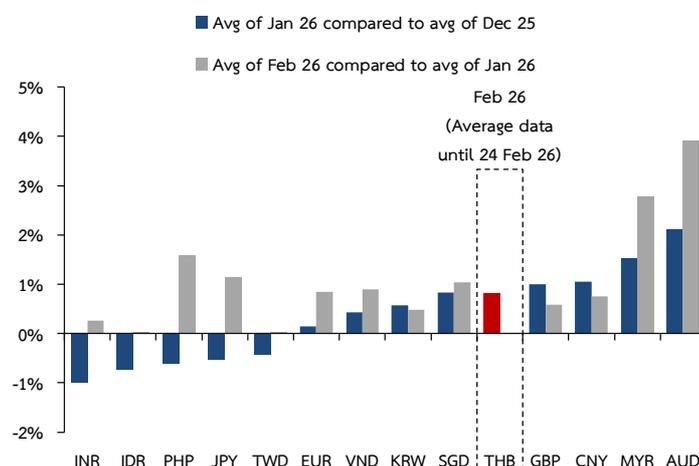
The Thai baht appreciated against the U.S. dollar in January and February 2026 (data up to 24 February 2026), largely reflecting the depreciation of the U.S. dollar. The baht remained volatile amid uncertainties surrounding U.S. trade policy, geopolitical risks, and expectations of the Federal Reserve's monetary policy stance. Domestic factors, including gold prices and domestic political developments, further exerted pressure on the baht. **The Nominal Effective Exchange Rate (NEER)** appreciated slightly on average in January 2026 but depreciated in February 2026.

THB and NEER movements



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

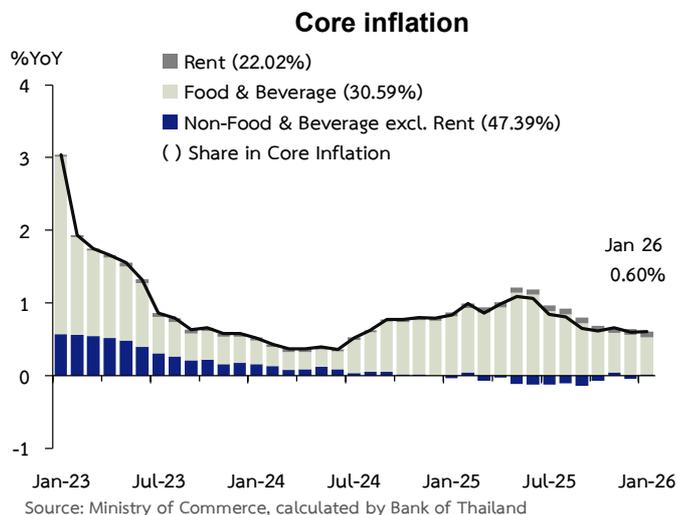
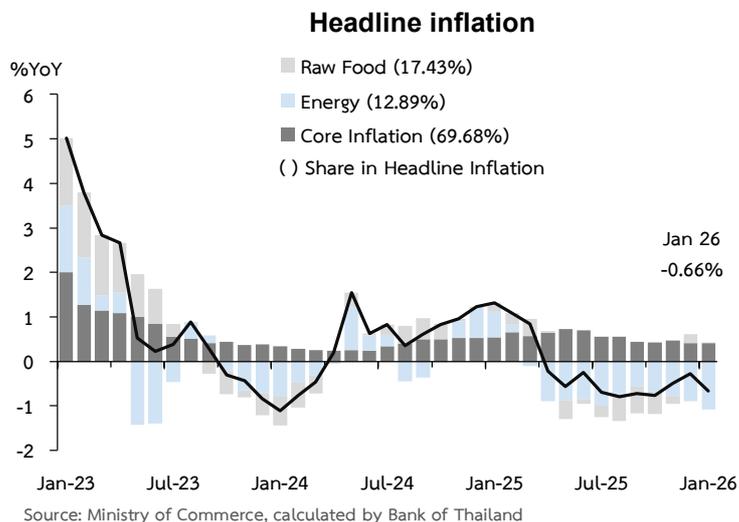
Exchange rate movements compared with peers



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

Economic Stability

Headline inflation became more negative from the previous month, driven by lower raw food prices, particularly vegetables following higher post-flood production, and lower energy prices, including gasoline, diesel, and electricity tariffs. Core inflation remained positive and broadly stable, supported by higher vehicle prices following an excise tax increase, but offset by declines in personal care product prices due to business promotions. The **current account surplus narrowed** due to a larger trade deficit, driven mainly by higher imports. Meanwhile, the surplus in services, income, and transfers balance increased in line with the high season for tourism.



Balance of Payments

Billion USD	2024 ^P	2025 ^P	2025 ^P					2026 ^P	
			Q1	Q2	Q3	Q4	Dec	Jan	
Trade Balance	21.4	23.3	9.0	5.9	7.0	1.4	2.7	-0.7	
Exports (f.o.b.)	297.3	335.1	80.7	84.1	86.2	84.0	28.8	31.0	
%YoY	5.9	12.7	15.4	14.9	11.5	9.4	18.1	23.6	
Imports (f.o.b.)	275.9	311.7	71.7	78.2	79.2	82.6	26.1	31.8	
%YoY	5.5	13.0	6.2	15.8	12.2	17.5	18.0	30.1	
Net Services, Income & Transfers	-9.7	-5.6	3.0	-4.4	-3.8	-0.5	0.4	1.5	
Current Account	11.6	17.7	12.1	1.5	3.2	0.9	3.1	0.7	
Capital and Financial Account	-6.6		-10.2	-0.4	-1.6				
Overall Balance	12.4	18.4	3.4	4.8	6.2	4.0	3.7	2.2	

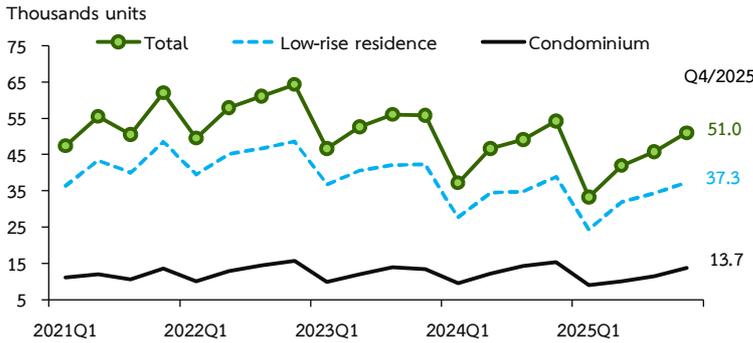
Note: P = Preliminary data
Source: Bank of Thailand

Real estate sector (Q4/2025)



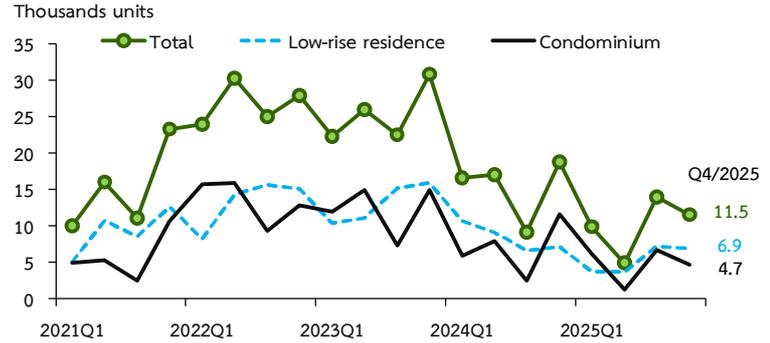
The overall real estate market contracted from the same period last year, reflecting weaker demand and supply. Demand declined for both low-rise housing and condominiums due to subdued purchasing power, although the temporary relaxation of LTV measures provided some support. The impact of the earlier earthquake on high-rise condominiums has gradually eased, as indicated by a rebound in mortgage lending for this segment. On the supply side, newly launched properties fell across both low-rise housing and condominiums. Housing prices declined, particularly for single houses, as developers reduced prices to clear inventories, while condominium prices stabilized after the previous quarter's decline.

New Mortgage Loans from Commercial Banks and SFIs



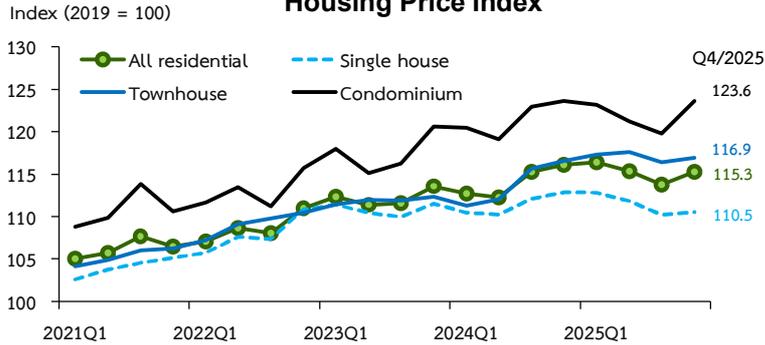
Source: Bank of Thailand

Newly Launched Properties in Bangkok and Vicinity Area



Source: Agency for Real Estate Affairs (AREA) and calculated by Bank of Thailand

Housing Price Index



Source: mortgage loans data reported by commercial banks and the Government Housing Bank. Additionally, starting from January 2023, mortgage loan data from other specialized financial institutions have been included, calculated by Bank of Thailand.

As of April 2025, data for LH bank is excluded pending new dataset completion.

Bank of Thailand
27 February 2026

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