



KEY HIGHLIGHT

- **The Thai economy in April softened from the previous month**, particularly in tourism and private consumption.
 - **Tourism receipts declined in line with a decrease in the number of foreign tourist arrivals**, in large part due to the Middle East conflict. **Private consumption also declined**, driven by lower spending on non-durable goods, including consumer goods and fuel, amid higher energy costs that raised the cost of living. Spending on hotel and restaurant services also declined, resulting in **weaker service sector activity**.
 - **However, merchandise exports excluding gold increased**, supported by continued strong growth in technology products and automotive exports, in line with trading partners' demand. Meanwhile, **manufacturing production remained broadly stable**. Supply disruptions from upstream raw material shortages related to the Middle East conflict remain limited.
- **Headline inflation turned positive**, driven mainly by higher energy prices, particularly domestic gasoline and diesel fuel prices. **Core inflation increased** from the pass-through of higher energy costs to prepared food and public transport fares.
- **Key issues to monitor:** 1) Middle East conflict developments 2) the ability of businesses and households to adapt, 3) government economic stimulus measures, 4) potential changes in U.S. trade policy, and 5) developments in El Niño conditions

Economic Stability

Headline Inflation

2.89%

Core Inflation

0.83%

from previous year

Current Account Balance

-7.6

Billion USD



Private Consumption

-2.1%

from previous month



Private Investment

-5.0%

from previous month



Government Expenditure (excl. Transfer)

12.3%

from previous year



Export Value (excl. gold)

1.3%

from previous month



Import Value (excl. Gold)

16.5%

from previous month



Number of Tourist Arrivals

-3.9%

from previous month

Thailand's economy in April softened from the previous month, primarily due to the impact of the Middle East conflict. Foreign tourist arrivals and tourism receipts continued to decline, particularly among short-haul markets, partly reflecting reduced flight services by several airlines amid higher fuel costs. Meanwhile, tourist arrivals from the Middle East and Europe remained at low levels. Private consumption also declined, driven by lower spending on consumer goods and fuel following earlier front-loaded purchases, as well as adjustments in working and travel patterns amid significantly higher energy prices. These developments weighed on service sector activity, including trade, hotels, and restaurants. Private investment also decreased after accelerating in the previous month. However, merchandise exports excluding gold increased across several categories, particularly technology products and automotive exports, although exports to the Middle East remained contracted. Manufacturing production remained broadly stable, as higher production in the automotive, rubber, and plastic industries offset a decline in sugar production. Government expenditure expanded, supported by increases in both current and capital expenditures by the central government.

On the stability front, headline inflation increased significantly from the previous month, driven mainly by the energy component following higher global crude oil prices amid the Middle East conflict. Raw food prices also increased in line with lower agricultural output. Core inflation rose due to the pass-through of higher energy costs to prepared food prices and public transport fares. The current account registered a large deficit, mainly reflecting a trade deficit following accelerated import values. Overall labor market conditions improved.

Thai Economic Conditions

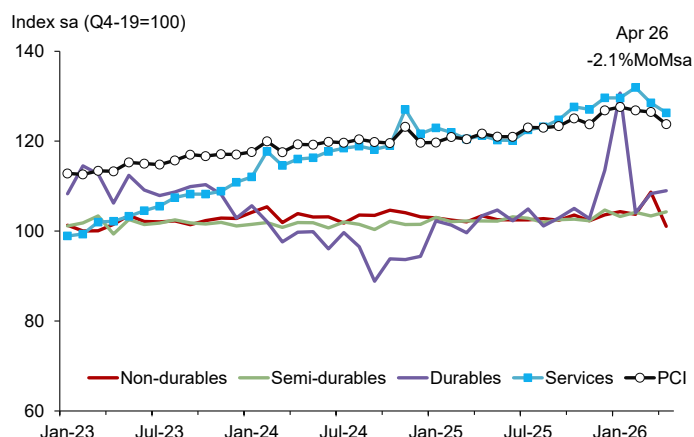


Demand Side Indicators

Private Consumption

Private consumption indicators, after seasonal adjustment, declined from the previous month, driven by lower spending on **non-durable goods**, particularly consumer goods and fuel, following earlier front-loaded purchases. This decline also reflects adjustments in working and travel patterns in response to significantly higher fuel prices. **Service** consumption declined further, particularly in hotels and restaurants, consistent with softer tourism activity. However, consumption of **durable and semi-durable goods** increased, supported by higher passenger car sales, motorcycle registrations, and imports of textiles and apparel, respectively. **Consumer confidence** also continued to decline, reflecting concerns over the impact of the Middle East conflict, as well as higher cost of living due to rising energy prices and cost pass-through.

PCI by Major Categories

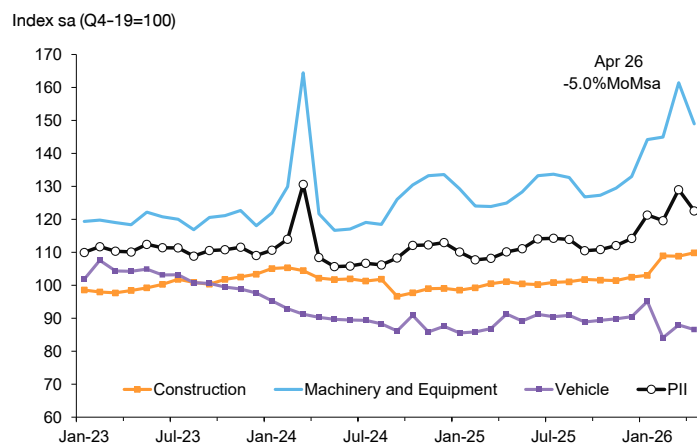


Note: PCI by category reflects domestic expenditures, including those by foreign tourists. However, the aggregate PCI excludes foreign tourist expenditures and includes Thai tourist expenditures abroad to accurately reflect Thai private consumption.
Source: Bank of Thailand

Private Investment

Private investment indicators, after seasonal adjustment, declined from the previous month, driven by lower investment in **machinery and equipment**, in line with capital-goods exports, particularly computers and electrical equipment. In contrast, imports of capital goods and domestic sales of capital goods continued to increase. Investment in **vehicles** declined, in line with the value of passenger car registrations and aircraft imports. However, **construction** investment increased slightly, supported by both residential and non-residential construction. Residential construction increased, particularly in condominiums, while non-residential construction rose, especially in hotels and commercial buildings.

PII by Major Categories

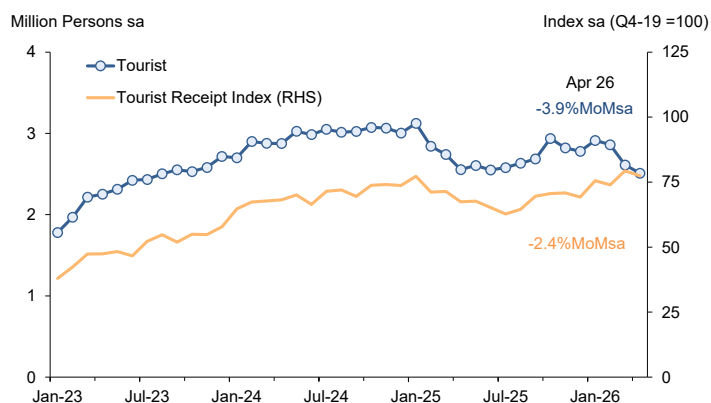


Note: Private Investment Indicators data for the first half of 2025 has been revised to reflect updated information and methodological refinements.
Source: Bank of Thailand

Foreign Tourist Arrivals and Receipt

The number of foreign tourist arrivals, after seasonal adjustment, declined from the previous month. The decline was observed particularly among short-haul tourists across several nationalities, such as China and Malaysia, following earlier acceleration. Tourist arrivals from Korea, Japan, and India also declined, reflecting reduced flight services by several airlines in response to higher fuel costs. Meanwhile, tourist arrivals from the Middle East and Europe remained subdued due to the ongoing Middle East conflict. **Tourism receipts, after seasonal adjustment**, declined, in line with the decrease in tourist arrivals.

Number of Tourists and Tourism Receipt



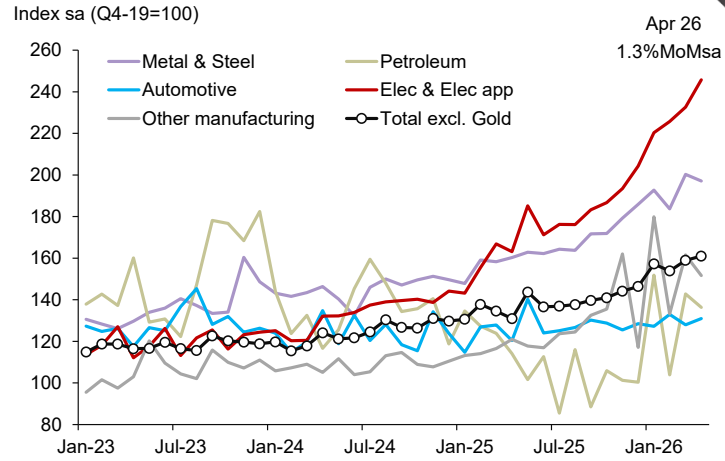
Note: Tourism receipt excludes health, education, excursionist and acquisition of goods and services by short-term workers and is subject to revision due to unstable seasonal adjustment
Source: Ministry of Tourism and Sports, calculated by Bank of Thailand

Export Value



The value of merchandise exports, excluding gold and after seasonal adjustment, increased from the previous month, driven by several categories: 1) **electronics**, supported by higher exports of computer parts to the United States, China, and Singapore, computers to Malaysia, and printed circuit boards to Hong Kong; 2) **machinery and equipment**, reflecting higher exports of electrical transformers to Mexico and ASEAN; and 3) **automotive and auto parts**, supported by higher exports of passenger cars and parts to ASEAN, and pickup trucks to Australia. However, exports of electrical appliances declined, particularly air conditioners to the United States and electrical control panels to ASEAN and the United States. Exports to the Middle East increased slightly but remained significantly lower when compared to the same period last year.

Thai Export Classified by Products

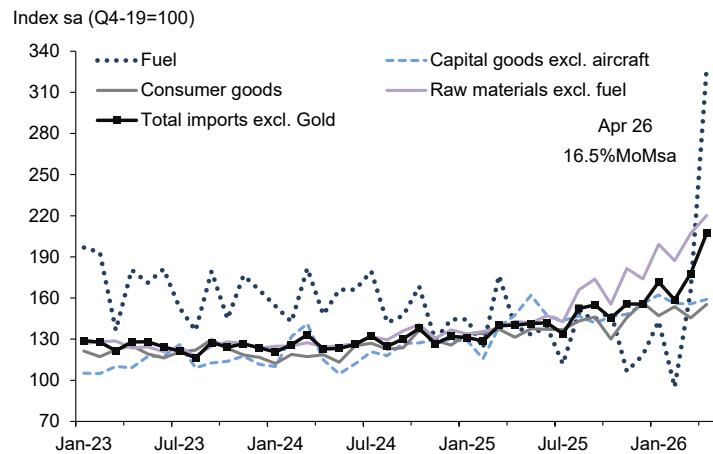


Source: Customs Department Ministry of Finance, calculated by Bank of Thailand

Import Value

The value of merchandise imports excluding gold, after seasonal adjustment, increased from the previous month across all major categories: 1) **fuel**, reflecting higher crude oil imports from the Middle East, particularly from the United Arab Emirates and Saudi Arabia, as well as from other sources, such as Malaysia and the United States, resulting in higher domestic oil inventories; 2) **raw materials and intermediate goods excluding fuel**, driven by accelerated imports of electronic components from Taiwan, consistent with continued expansion in electronics exports; 3) **consumer goods**, supported by higher imports of electric vehicles from China; and 4) **capital goods excluding aircraft**, reflecting higher imports of computers from Taiwan.

Import Value Index

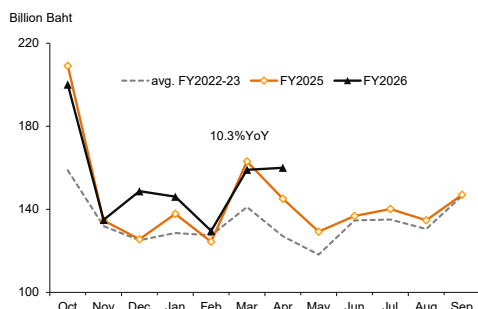


Note: Regrouping to include vehicle parts
Source: Customs Department, Ministry of Finance

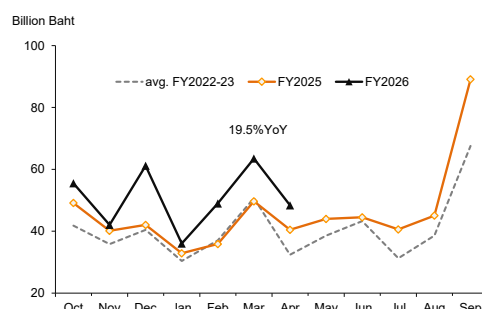
Fiscal Position and Public Expenditure

Government expenditure expanded from the same period last year, driven by both current and capital expenditure of the central government. Central government current expenditure increased, particularly due to higher spending on education-related services. Meanwhile, central government capital expenditure increased, following the disbursement of rollover budgets, particularly projects under the central budget stimulus program for 2025, as well as transport-related agencies. However, state-owned enterprises (SOEs) capital expenditure declined, reflecting lower investment in public utility and transport infrastructure.

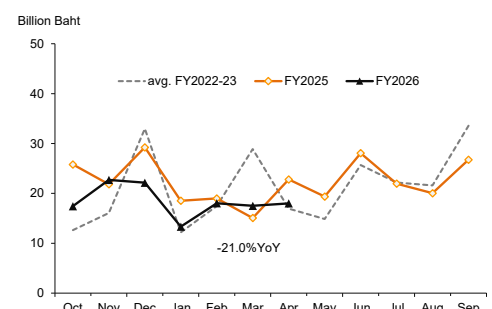
Central Government Current Expenditure (Excl. Subsidies/Grants and other)



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

Supply Side Indicators

Manufacturing Sector

The manufacturing production index, after seasonal adjustment, remained broadly stable from the previous month. Production among firms with export shares below 30 percent increased slightly, driven by higher beverage production, partly reflecting front-loaded production ahead of rising input costs. In contrast, production in the chemical products category declined, particularly fertilizers, due to higher input costs associated with the impact of the Middle East conflict. Meanwhile, production by firms with export shares between 30 and 60 percent increased, led mainly by the automotive sector, consistent with higher passenger car production in line with merchandise exports and inventory accumulation. In contrast, production by firms with export shares exceeding 60 percent declined, particularly in sugar, following earlier accelerated production. However, hard disk drive production increased, in line with higher electronics exports.

Service Sector

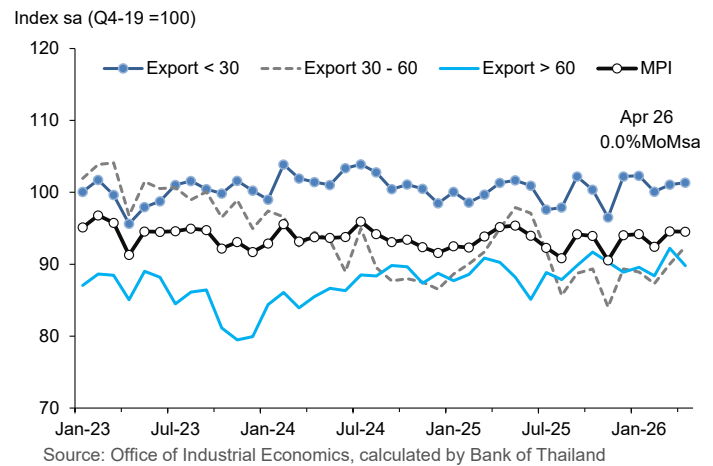
Service sector indicators, excluding gold trading and after seasonal adjustment, declined from the previous month, reflecting weaker activity in tourism-related sectors, particularly in hotels and restaurants, consistent with the decrease in the number of foreign tourist arrivals and tourism receipts. Trade activity also moderated slightly, following earlier front-loaded purchases of consumer goods amid concerns over rising prices. However, freight transport activity increased, in line with higher imports, particularly electric vehicles delivered after the motor show, consistent with increased domestic vehicle sales.

Agricultural Sector

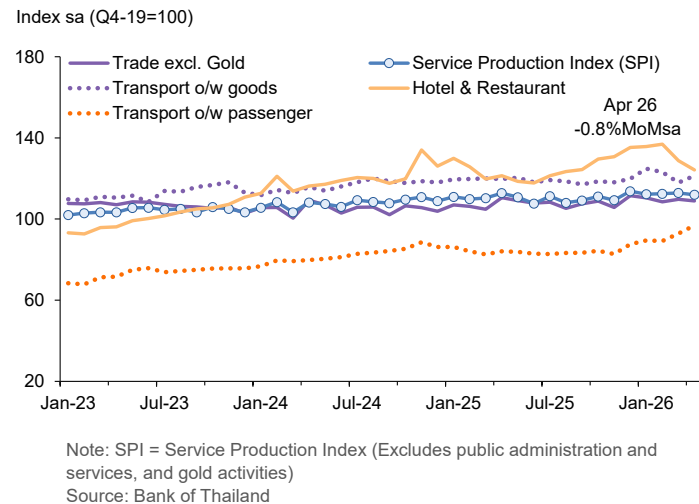
Farmers' income increased from the same period last year, driven by both higher agricultural prices and production. Agricultural prices increased, particularly for oil palm and rubber. Oil palm prices rose in line with higher demand for biodiesel production in the domestic market, while rubber prices accelerated, supported by demand for substitution of synthetic rubber in the glove and tire industries. Agricultural production also increased, particularly durian and rubber. Durian production expanded, reflecting favorable weather conditions in the previous period and expansion of cultivated areas. Meanwhile, rubber output increased, driven by a higher number of tapping days due to lower rainfall than usual.



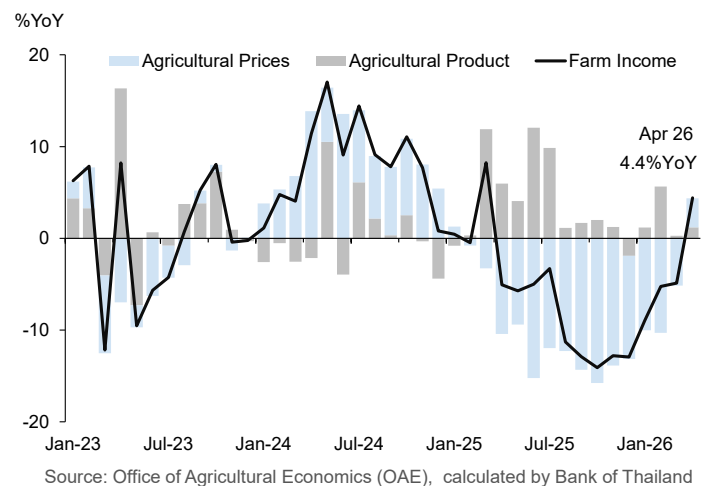
MPI Classified by Export Share



Service Production Index (SPI) by Sector



Nominal Farm Income



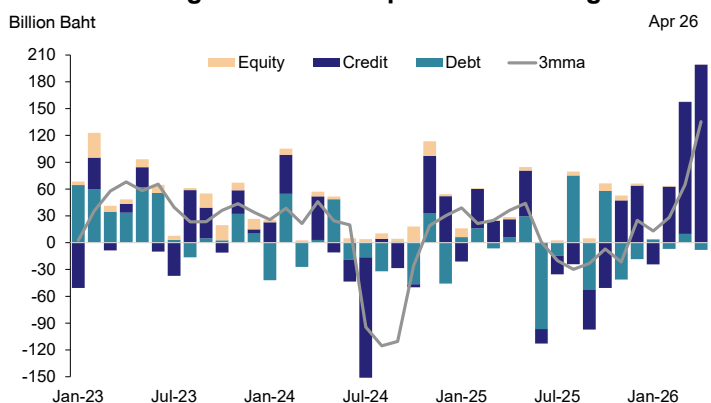
Monetary Conditions and Economic Stability



Corporate Financing, Interest Rates and Exchange Rates

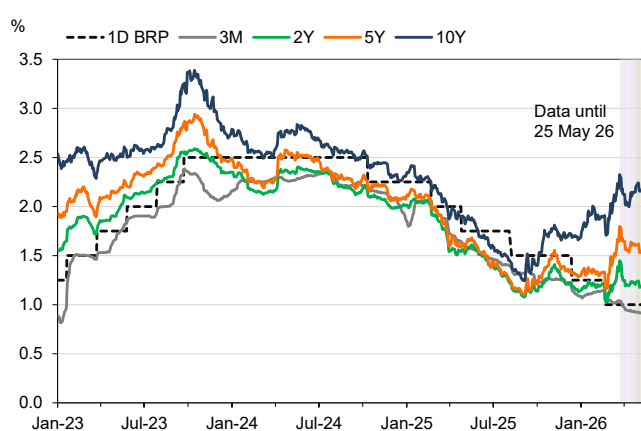
Overall corporate financing increased from the previous month, mainly driven by higher net credit financing which expanded from the petroleum production and wholesale trade sectors. **Equity financing** also increased slightly, led by machinery and equipment manufacturing and wholesale trade sectors. In contrast, **debt financing** declined slightly, particularly in petrochemical, chemical, and real estate sectors. In April 2026, the **cost of financing** via the debt market declined as average Thai government bond yields across both short- and long-term maturities decreased, following developments in negotiations between the United States and Iran. However, in May 2026, Thai government bond yields increased across both short- and long-term maturities, reflecting prolonged uncertainty surrounding the Middle East conflict. In addition, during early May, market concerns over uncertainties related to fundraising under the emergency borrowing decree (THB 400 billion) also weighed on financial conditions, but dissipated following communication from the public sector regarding financing management approaches.

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

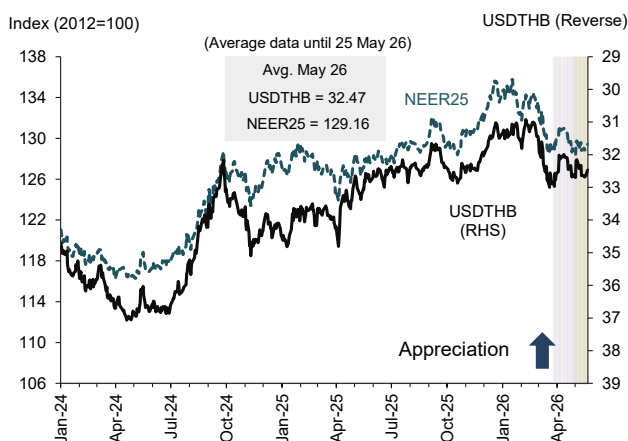
Government Bond Yields



Source: Bank of Thailand and ThaiBMA

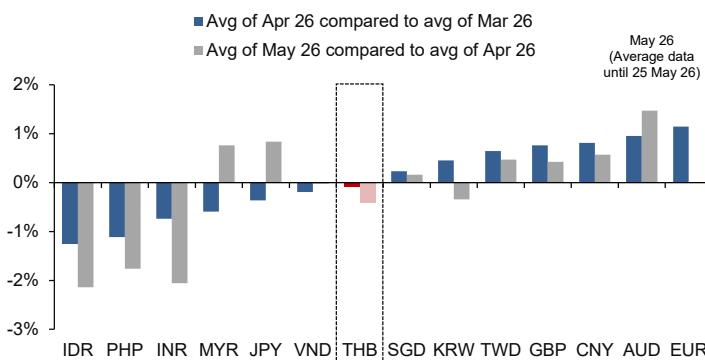
The Thai baht against the U.S. dollar remained volatile in April and May 2026, reflecting uncertainty surrounding developments in the Middle East conflict. Meanwhile, the average **Nominal Effective Exchange Rate (NEER)** depreciated slightly.

THB and NEER movements



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

Exchange rate movements compared with peers

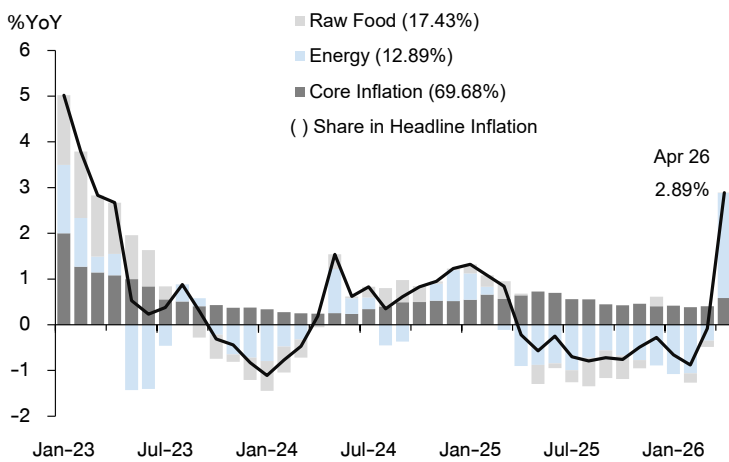


Note: Avg-period data, + = Appreciation against USD
 Source: Bloomberg, calculated by Bank of Thailand



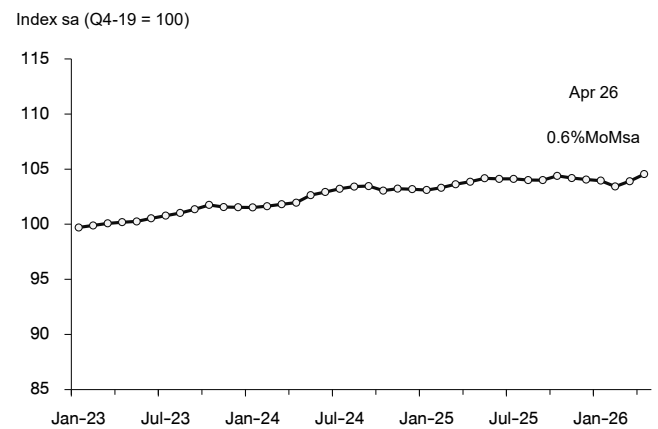
Headline inflation increased significantly from the previous month, driven mainly by higher energy prices, particularly domestic fuel following higher global crude oil prices. Meanwhile, raw food prices increased, particularly vegetables and eggs, due to lower agricultural output amid hot weather conditions. **Core inflation** remained positive and increased from the previous month, driven mainly by the pass-through of higher energy costs to prepared food prices and public transport fares. However, broad-based price increases have not been observed, partly due to subdued purchasing power and intense price competition. Labor market conditions improved from the previous month, as reflected in an increase in the number of insured workers under Section 33. The **current account** registered a deficit, mainly due to a trade deficit, following higher import values which accelerated in both electronic components and oil. In addition, the deficit in services, income, and transfers was mainly driven by lower tourism receipts, in line with seasonal factors.

Headline inflation



Source: Ministry of Commerce, calculated by Bank of Thailand

Total Contributors in Section 33



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

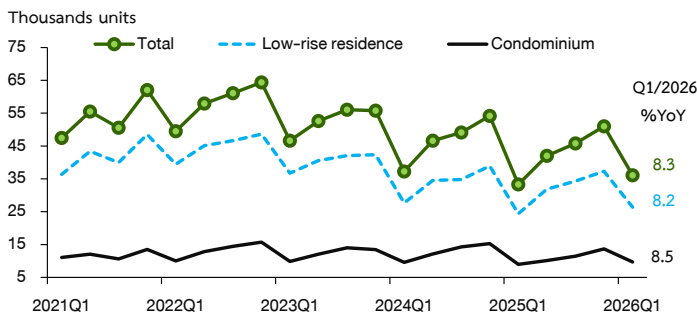
Billion USD	2025 ^P	2025 ^P				2026 ^P			
		Q1	Q2	Q3	Q4	Q1	Mar	Apr	YTD
Trade Balance	23.3	9.0	5.9	7.0	1.4	-0.3	-0.1	-6.8	-7.1
Exports (f.o.b.)	335.1	80.7	84.1	86.2	84.0	95.1	34.7	30.9	126.0
%YoY	12.7	15.4	14.9	11.5	9.4	17.8	19.3	23.3	19.1
Imports (f.o.b.)	311.7	71.7	78.2	79.2	82.6	95.4	34.9	37.7	133.1
%YoY	13.0	6.2	15.8	12.2	17.5	33.1	37.2	43.9	36.0
Net Services, Income & Transfers	-7.4	3.0	-4.4	-4.2	-1.9	3.5	0.7	-0.8	2.7
Current Account	15.9	12.1	1.5	2.7	-0.4	3.2	0.6	-7.6	-4.4
Capital and Financial Account	-11.7	-10.2	-0.4	-0.9	-0.2				
Overall Balance	18.4	3.4	4.8	6.2	4.0	1.4	-1.2	2.3	3.7

Note: P = Preliminary data
Source: Bank of Thailand



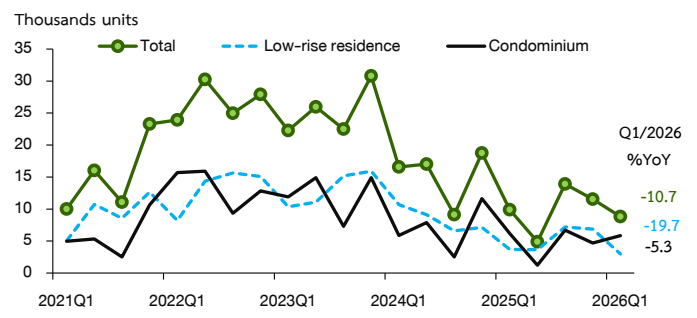
The overall real estate market remained broadly stable from the same period last year, with slight increases in demand amid a slowdown in supply. Demand increased for both low-rise housing and condominiums, partly due to a low base in the previous year, together with the relaxation of loan-to-value (LTV) regulations for housing loans and related lending, which provided some support to the market. However, foreign demand continued to decline. On the supply side, newly launched properties declined across both low-rise housing and condominiums, as developers delayed new project launches and focused on promotional activities to clear existing inventories. Housing prices declined slightly, particularly for single houses, reflecting price reductions by developers to clear existing inventories. However, condominium prices increased.

New Mortgage Loans from Commercial Banks and SFIs



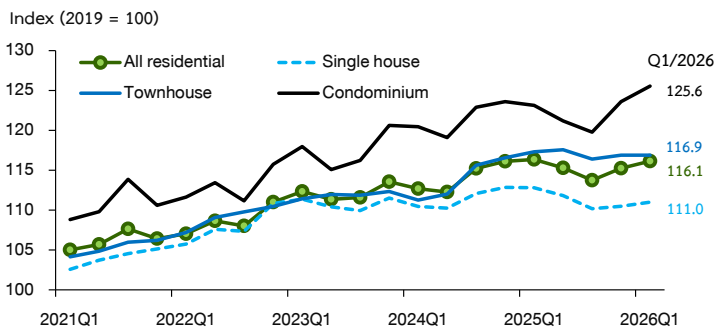
Source: Bank of Thailand

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
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