



KEY HIGHLIGHT

No. 37/2026

- **The Thai economy in August remained broadly stable from the previous month**
 - **External demand remained broadly stable**, with **merchandise exports remaining at a high level**, supported by continued momentum from the global technology and artificial intelligence (AI) cycle. **Tourism receipts remained broadly stable**, as the average length of stay of foreign tourists – particularly long-haul visitors – shortened towards more normal levels, despite **an increase in the number of foreign tourist arrivals**.
 - **Domestic demand improved**, driven primarily by **higher private investment**, particularly in machinery and equipment, supported by the global technology cycle and investment in data centers. **Private consumption also increased slightly**.
 - **Overall supply-side activity softened**, reflecting decreases in both **manufacturing production and service-sector activity**.
- **Headline inflation increased**, driven by higher fresh food prices amid adverse weather conditions and rising production costs, as well as higher energy prices following an increase in global crude oil prices. **Core inflation also increased**, as businesses gradually pass-through higher costs to consumer prices.
- **Key issues to monitor:** (1) the continuity of the global technology and artificial intelligence cycle, (2) developments in geopolitical conflicts and international trade protectionist policies, (3) the impact of government measures, (4) the impact of flooding and El Niño (5) the recovery of the tourism sector

Economic Stability

Headline Inflation

2.53 %

Core Inflation

1.44%

from previous year

Current Account Balance

2.4

Billion USD



Private Consumption

0.4%

from previous month



Private Investment

2.2%

from previous month



Government Expenditure (excl. Transfer)

2.3%

from previous year



Export Value (excl. gold)

-0.1%

from previous month



Import Value (excl. Gold)

4.5%

from previous month



Number of Tourist Arrivals*

1.8%

from previous month

The Thai economy in August remained broadly stable from the previous month. Merchandise exports excluding gold remained at a high level, supported by the continued momentum of the global technology and artificial intelligence (AI) cycle. However, exports of technology-related products moderated somewhat after strong growth in the preceding period, while exports of other products increased. The number of foreign tourist arrivals increased, driven mainly by Chinese tourists, while tourism receipts remained broadly stable from the previous month, as the average length of stay shortened as long-haul flights recover toward levels seen before the Middle East conflict. Domestic demand improved, driven by private investment, particularly in machinery and equipment. Private consumption also increased slightly, supported by higher spending on services, particularly hotels and restaurants, consistent with the increase in foreign tourist arrivals. Spending on durable goods also continued to increase. On the supply side however, overall activity softened, reflecting lower manufacturing production and service-sector activity. Meanwhile, government spending continued to expand, supported by higher disbursements from both the central government and state-owned enterprises.

On the economic stability front, headline inflation increased from the previous month, driven by higher fresh food prices from lowered agricultural output from adverse weather conditions as well as rising production costs. Domestic retail oil prices also increased in line with rising global crude oil prices as tensions in the Middle East intensified. Core inflation also increased, as businesses gradually passed through higher costs to consumer prices, particularly in prepared food prices. The current account recorded a surplus, mainly reflecting a trade surplus. The labor market remained broadly stable overall, although the number of unemployment benefit claimants has shown a continued upward trend and warrants monitoring.

Thai Economic Conditions

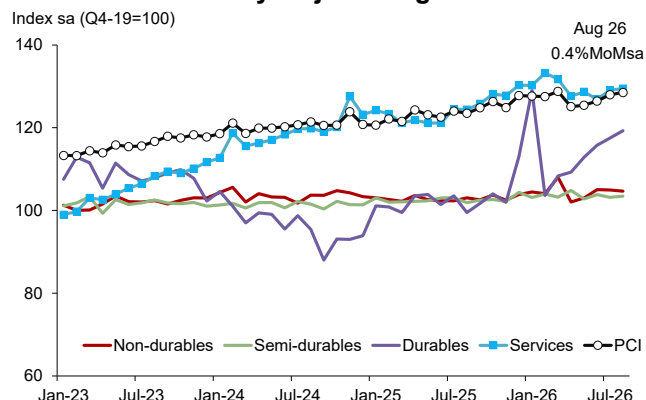


Demand Side Indicators

Private Consumption

Private consumption indicators, after seasonal adjustment, increased slightly from the previous month, driven by spending on **services**, particularly on hotels and restaurants, consistent with the increase in foreign tourist arrivals. Meanwhile, domestic tourism moderated after accelerating in the previous month due to the extended holiday period. Spending on **semi-durable goods** also increased slightly, in line with higher imports of textiles and apparel. Spending on **durable goods** continued to increase, driven by higher sales of passenger cars and motorcycle registrations. Meanwhile, spending on **non-durable goods** remained broadly stable. Sales of consumer goods increased, partly supported by government measures, while fuel sales and electricity consumption declined. **Consumer confidence** continued to improve, mainly supported by government measures, although concerns over the high cost of living and elevated household debt levels remained.

PCI by Major Categories

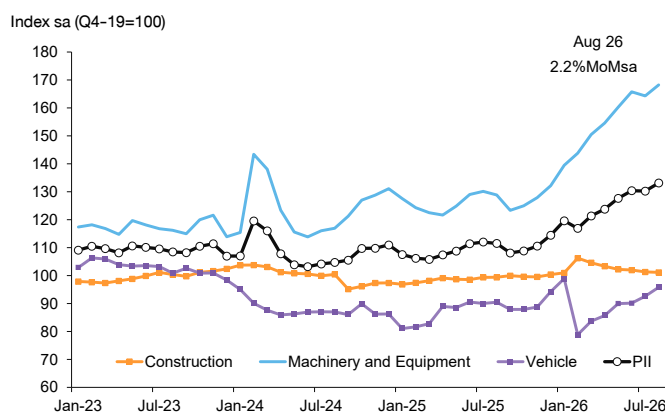


Note: PCI by category reflects domestic expenditures, including those by foreign tourists. However, the aggregate PCI excludes foreign tourist expenditures and includes Thai tourist expenditures abroad to accurately reflect Thai private consumption.
Source: Bank of Thailand

Private Investment

Private investment indicators, after seasonal adjustment, increased from the previous month, driven by higher investment in **machinery and equipment**. This was consistent with increased domestic sales of machinery, particularly electrical machinery and medical equipment, as well as higher imports of capital goods, especially computers and office equipment. Investment in the **vehicles category** also increased, driven by higher passenger car registrations and increased aircraft imports, while pickup truck registrations declined. However, investment in **construction** decreased slightly, reflecting lower non-residential construction, particularly factory construction in industrial estates and commercial buildings, while residential construction remained broadly stable.

PII by Major Categories

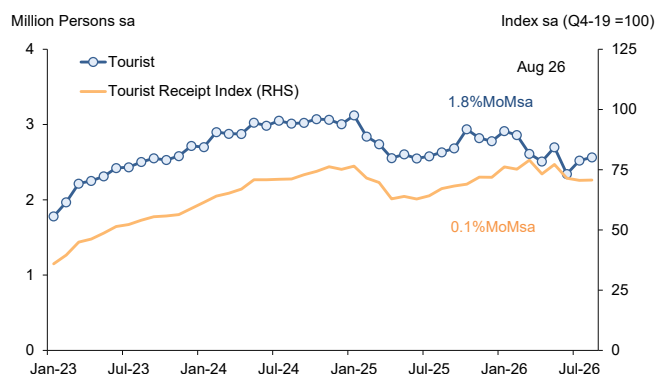


Note: Private Investment Indicators data for the first half of 2025 has been revised to reflect updated information and methodological refinements.
Source: Bank of Thailand

Foreign Tourist Arrivals and Receipts

The number of foreign tourist arrivals, after seasonal adjustment, increased from the previous month, driven mainly by higher arrivals from China, partly due to increased travel demand during the summer school holiday period. Arrivals from India also increased slightly but remained at a relatively low level, while arrivals from long-haul markets were broadly stable following strong growth in the previous month. **Tourism receipts, after seasonal adjustment, remained broadly stable from the previous month.** Spending per trip declined due to shorter average lengths of stay, particularly among long-haul tourists, as flight capacity gradually returned to normal. In August 2026, long-haul flight capacity had recovered to nearly its pre-Middle East conflict level.

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, remained stable from the previous month. Exports of **electronics and electrical appliances** declined but remained at a high level, supported by the continued momentum from the global technology and artificial intelligence cycle. The decline reflected lower exports of computer parts to the United States, China, and Malaysia, as well as lower exports of electronic integrated circuits and components to Hong Kong. However, exports of solid-state drives (SSDs) to the United States increased. **Automotive exports** also declined from lower exports of passenger cars to ASEAN, Japan, and Australia, as well as automotive parts to ASEAN. In contrast, **petroleum exports** increased on higher diesel exports to Singapore and Malaysia. Export of **agricultural and agro-manufacturing products** increased slightly, mainly due to higher sugar exports to Indonesia.

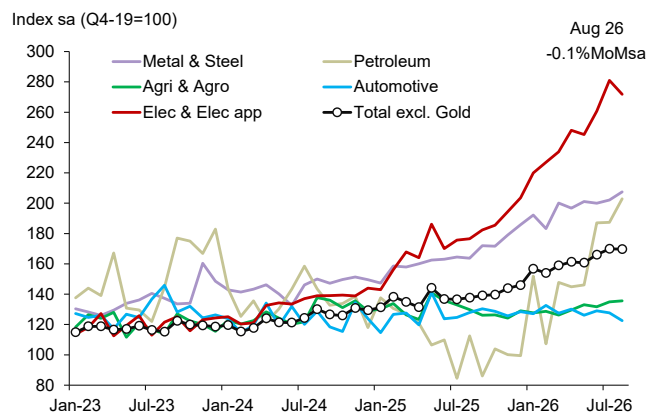
Import Value

The value of merchandise imports, excluding gold and after seasonal adjustment, increased from the previous month, driven by higher fuel imports, reflecting increased crude oil import volumes from the United States and the Middle East. Imports of **capital goods excluding aircraft** also increased, mainly due to higher imports of machinery and equipment from ASEAN and the United Kingdom. Imports of **consumer goods** also increased, driven by higher mobile phone imports from China. However, imports of **raw materials and intermediate goods** declined, mainly due to lower imports of electronic parts and electrical appliances from Taiwan, consistent with the decline in exports of these products.

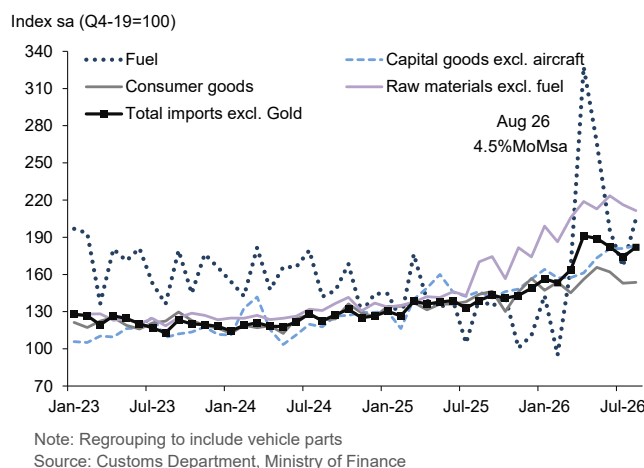
Public Expenditure

Government spending expanded from the same period last year, driven by higher expenditures by both the central government and state-owned enterprise (SOE). Central government current expenditure increased, reflecting higher disbursements for educational services, as well as subsidies and service provisions for the public health sector. Central government capital expenditure also increased, mainly due to higher disbursements by transportation and public utility infrastructure agencies. SOE capital expenditure also increased, mainly reflecting higher investment disbursements in public utility and transportation infrastructure projects.

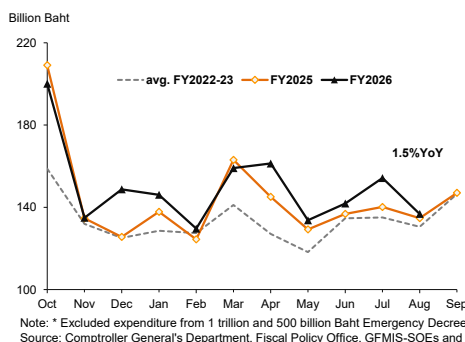
Thai Export Classified by Products



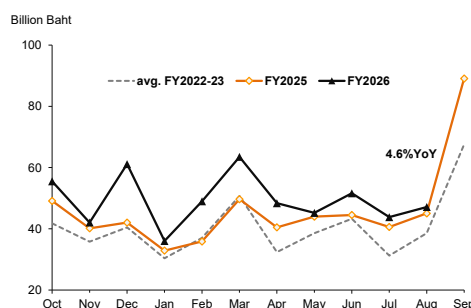
Import Value Index



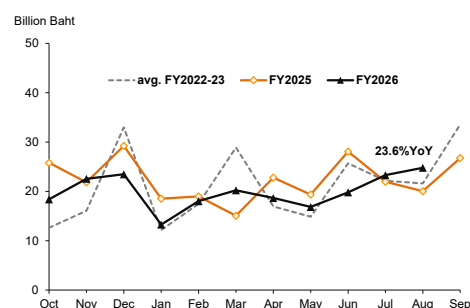
Central Government Current Expenditure (Excl. Subsidies/Grants and other)



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



State Owned Enterprises Capital Expenditure

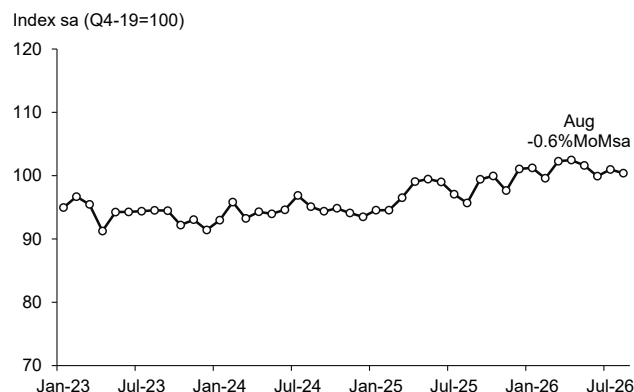


Supply Side Indicators

Manufacturing Sector

The manufacturing production index, after seasonal adjustment, declined from the previous month, driven by a slowdown in the production of optical transceivers following a strong increase in the preceding period. Production of hard disk drives and computers, as well as automobiles, particularly passenger cars, also declined, consistently with lower exports. Meanwhile, petroleum production increased due to inventory accumulation, while chemical production also increased, driven by higher production of fertilizers and paint amid improving domestic demand.

Manufacturing Production Index (MPI)



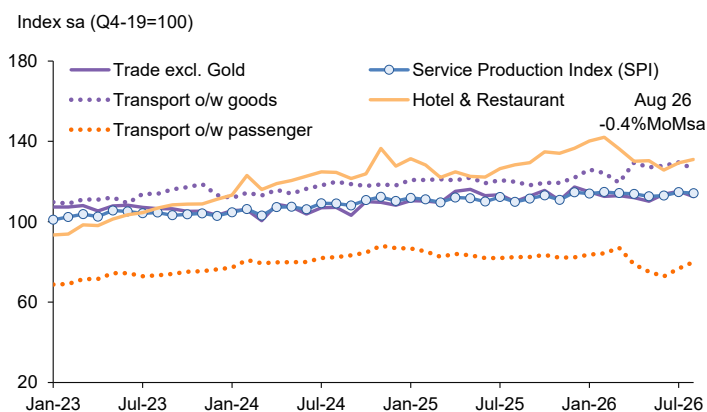
Note: New MPI series has been revised back to January 2021 following the OIE's update (base year at 2021), with expanded coverage of key electronics products and additional factories.

Source: Office of Industrial Economics and seasonally adjusted by Bank of Thailand

Service Sector

Service sector indicators, excluding gold trading and after seasonal adjustment, declined from the previous month, due to lower activity in trade and freight transport, consistent with declines in manufacturing production, electronics exports, and wholesale fuel trade. However, tourism-related activities improved, including hotels and restaurants as well as passenger transportation, driven mainly by the increase in foreign tourist arrivals.

Service Production Index (SPI) by Sector



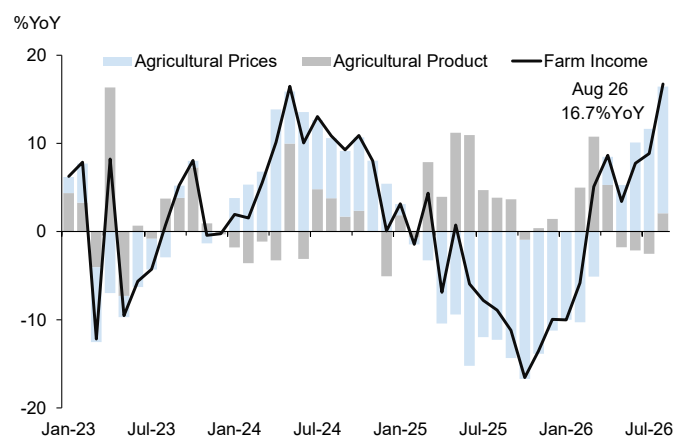
Note: SPI = Service Production Index (Excludes public administration and services, and gold activities)

Source: Bank of Thailand

Agricultural Sector

Farmers' income increased from the same period last year, driven mainly by continued growth in agricultural prices, particularly rubber, white rice, cassava, and palm oil prices. This reflected increased demand for inventory accumulation amid concerns over El Niño conditions. In addition, **agricultural output** increased, driven by higher durian production due to a low base in the previous year and expanded cultivation areas, as well as increased livestock production, particularly pork and poultry, following an increase in breeding stock in the preceding period.

Nominal Farm Income



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

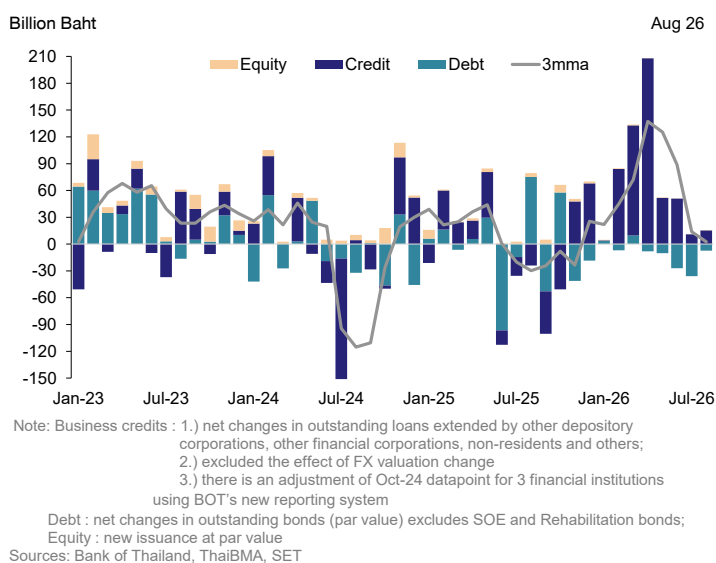
Monetary Conditions and Economic Stability



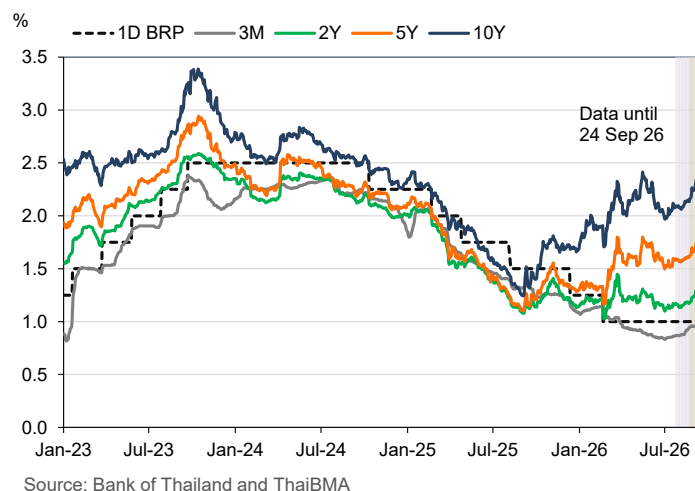
Corporate Financing, Interest Rates and Exchange Rates

Overall corporate financing increased from the previous month, mainly due to higher net credit financing. **Net credit financing** increased in August 2026, particularly among businesses in the trade sector, as well as metal manufacturing and rubber and plastics manufacturing. **Equity financing** also increased slightly, driven by businesses in food manufacturing and processing and chemical industries. In contrast, **debt financing** through the bond market declined, particularly among businesses in the energy and food sectors. Regarding **debt financing costs** in September 2026 (data up to 24 September 2026), both short- and long-term Thai government bond yields increased, broadly in line with U.S. Treasury yields amid pressure from higher U.S. inflation following an increase in global oil prices. However, Thai government bond yields remained volatile in the second half of September, declining at times from increased domestic investor demand and lower oil prices.

Changes in Total Corporate Financing

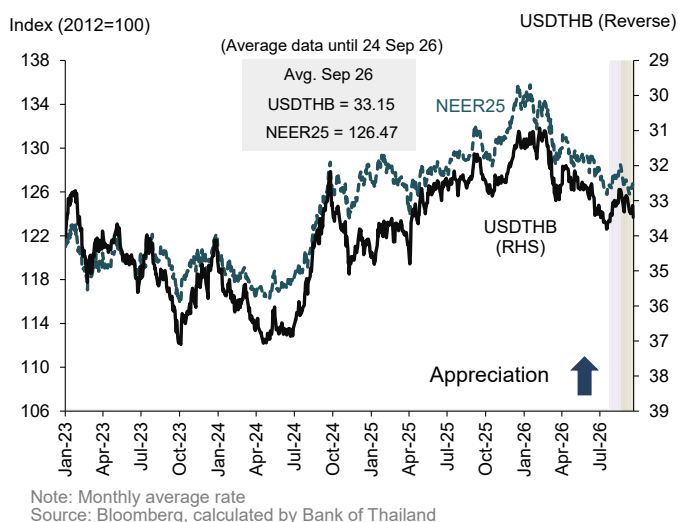


Government Bond Yields

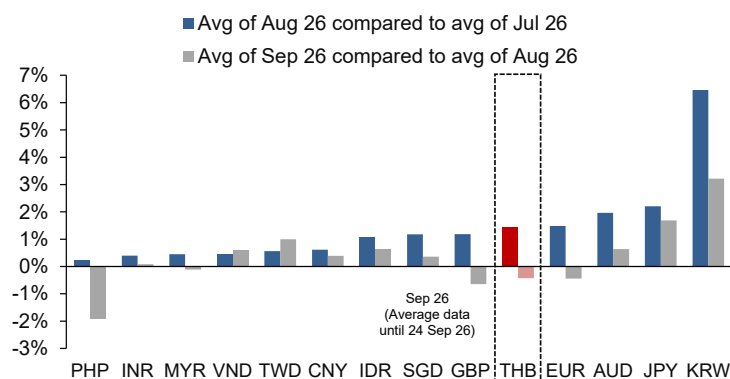


The Thai baht against the U.S. dollar was driven mainly by external factors in August and September 2026. In August, the baht appreciated as the U.S. dollar weakened, following signs of a slowdown in the U.S. economy, which led markets to reduce expectations of further policy rate hikes by the Federal Reserve (Fed). In September 2026 (data up to 24 September 2026), the baht depreciated on average as the U.S. dollar strengthened following the Fed's policy rate hike and expectations of a more restrictive monetary policy stance amid persistently high inflation and concerns over rising global oil prices following renewed tensions in the Middle East. **The Nominal Effective Exchange Rate (NEER)** remained broadly stable in August 2026 from the previous month, but depreciated on average in September, in line with higher global oil prices.

THB and NEER movements



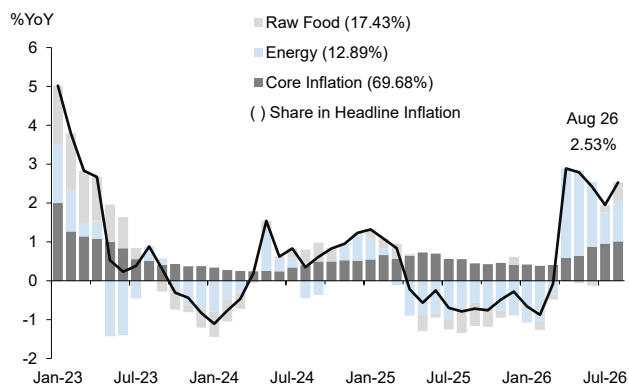
Exchange rate movements compared with peers



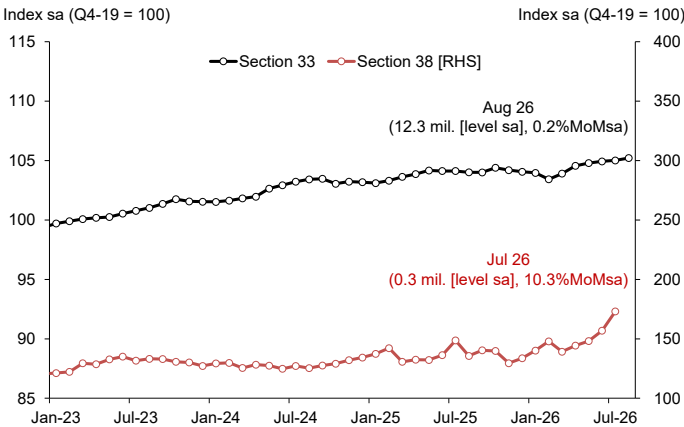


Headline inflation increased from the previous month across all major categories. Fresh food prices increased, particularly prices of meat and eggs, as supply declined due to adverse weather conditions and higher production costs. Energy inflation also increased, reflecting higher domestic retail fuel prices in line with higher global crude oil prices following renewed tensions in the Middle East. **Core inflation** also increased from the gradual pass-through of higher costs to consumer prices, particularly in the prepared food category. Regarding **labor market conditions**, overall employment remained broadly stable, as reflected by the number of Section 33 insured employees that remained largely unchanged from the previous month. Nevertheless, the labor market remains vulnerable, as reflected by the continued increase in the number of unemployment benefit claimants under Section 38. The labor market therefore warrants close monitoring, particularly among businesses facing intense competition. **The current account** surplus increased from the previous month, driven by an improvement in the services, income, and transfers balance, as the income balance returned to a surplus following the end of the profit and dividend repatriation period. Meanwhile, the trade surplus remained broadly unchanged from the previous month, with export value increasing slightly from higher gold exports, while import value increased slightly from higher crude oil imports.

Headline inflation



Total Contributors in Section 33 and Section 38



Balance of Payments

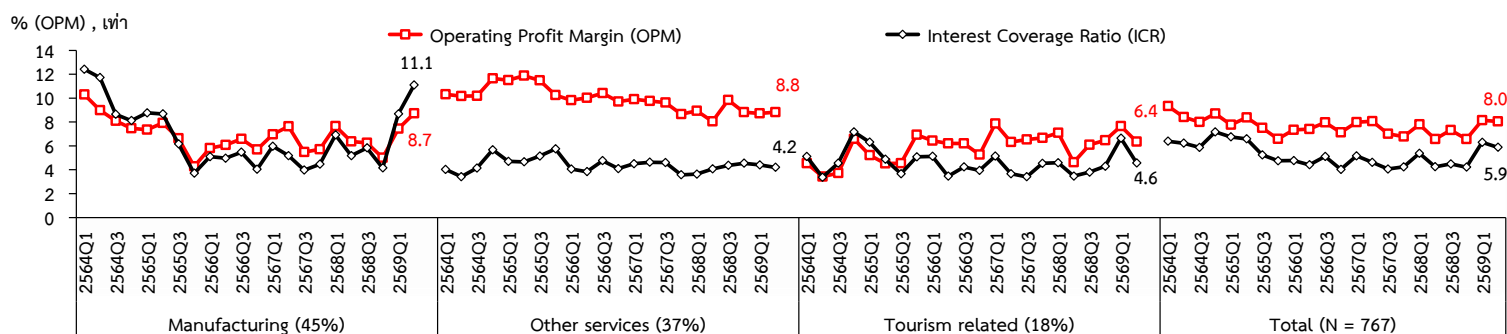
Billion USD	2025 ^R	2025 ^R				2026 ^R				
		Q1	Q2	Q3	Q4	Q1	Q2	Jul	Aug	YTD
Trade Balance	33.9	10.0	7.4	11.3	5.2	5.7	-5.6	1.8	1.8	3.8
Exports (f.o.b.)	334.9	80.8	84.2	86.1	83.7	94.8	98.8	34.2	34.4	262.3
%YoY	12.8	15.8	15.4	11.4	9.2	17.4	17.3	22.0	25.3	18.9
Imports (f.o.b.)	301.0	70.8	76.8	74.8	78.5	89.1	104.4	32.4	32.6	258.5
%YoY	13.4	12.6	17.4	8.6	15.2	25.8	36.0	28.5	31.3	30.8
Net Services, Income & Transfers	-4.9	4.7	-5.5	-3.6	-0.5	2.2	-6.6	-1.1	0.5	-5.0
Current Account	29.0	14.7	1.9	7.7	4.7	7.9	-12.2	0.7	2.4	-1.3
Financial Account	21.5	13.6	-0.3	4.8	3.4	9.3	-10.6			
Overall Balance	18.4	3.4	4.8	6.2	4.0	1.4	2.8	-3.6	3.1	3.7

Note: R = Revised data
Source: Bank of Thailand

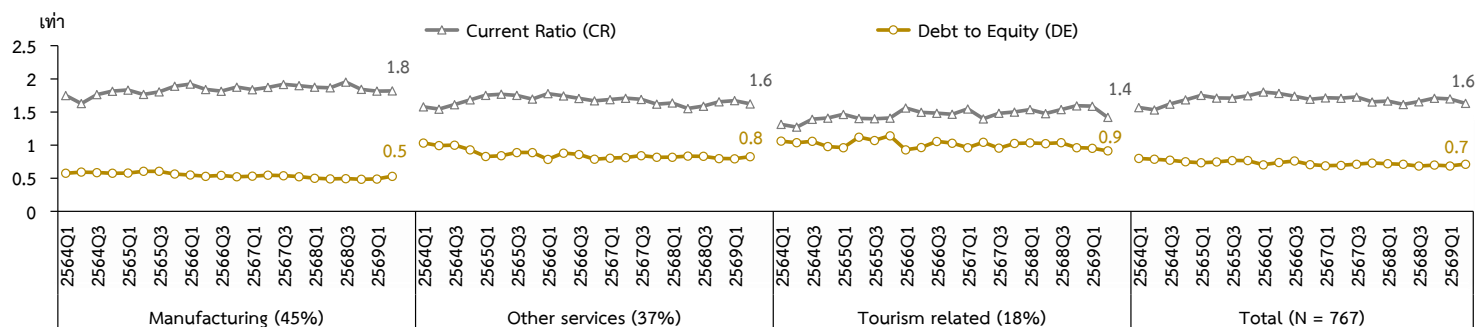


The overall performance of non-financial companies listed on the Stock Exchange of Thailand (SET) and the Market for Alternative Investment (mai) declined slightly from the previous quarter. The **Operating Profit Margin (OPM)** decreased slightly from 8.2 percent to 8.0 percent, reflecting weaker profitability in tourism-related service sectors, particularly passenger transportation, hotels, and restaurants, consistent with a decline in foreign tourist arrivals amid the impact of the Middle East conflict. However, OPM of businesses in the manufacturing sector improved, particularly among large businesses that were better able to manage and pass through higher costs. **Debt serviceability**, as measured by the Interest Coverage Ratio (ICR), declined in line with OPM, falling to 5.9 times. Meanwhile, **liquidity and leverage** as measured by the Current Ratio (CR) and Debt-to-Equity ratio (DE) remained broadly stable from the previous quarter at 1.6 and 0.7 times, respectively.

Operating Profit Margin and Interest Coverage Ratio by Sectors



Current Ratio and Debt to Equity by Sectors



Note: OPMt = EBITt/Revenue_t x 100 | ICRt = EBITt/Interest Expenditure_t | CRt = Current assets/Current liabilities | DEt = Liabilities/Equity. The solid line represents the value at p50.

Source: Stock Exchange of Thailand database (SETSMART), calculated by the Bank of Thailand.

Bank of Thailand
30 September 2026

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