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Monthly Economic Report (January 2020)

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Mr. Wuttipong Jittungsakul, Deputy Director of Fiscal Policy Office, Acting Fiscal Policy Advisor, and Deputy Spokesperson of the Fiscal Policy Office, and Mr. Pisit Puapan, Executive Director of the Macroeconomic Policy Bureau, revealed the economic report in January 2020 that “The Thai economy in January 2020 has shown signs of improvement in exports and durable goods consumption especially an expansion in passenger car revenue, the number of registered motorcycle and farmer’s income. However, Private Investment has slowed down primarily in manufacturing and agriculture. Tourism, on the other hand, continued to expand. Nevertheless, Economic effect of COVID-19 Epidemic on Thailand economy needs to be monitored closely since the end of January 2020.”

Economic indicators on private consumption expenditures continued to accelerate in January 2020.

Private Consumption Indicators	2018	2019	2019						2020	
			Q1	Q2	Q3	Q4	Nov	Dec	Jan	YTD
Real VAT collection (%YoY)	5.6%	-1.7%	1.7%	0.4%	-5.7%	-3.1%	-5.0%	0.8%	-2.6%	-2.6%
%qoq_SA / %mom_SA			-1.7%	0.4%	-3.4%	1.7%	-2.3%	1.0%	3.1%	
Import volume of consumption goods (%YoY)	8.4%	2.8%	1.0%	-1.2%	8.1%	3.6%	1.3%	12.6%	7.0%	7.0%
%qoq_SA / %mom_SA			-5.4%	2.3%	6.0%	1.0%	-1.5%	2.9%	0.4%	
Passenger car sales (%YoY)	15.4%	-0.3%	13.9%	3.7%	-1.7%	-14.6%	-16.4%	-18.7%	0.4%	0.4%
%qoq_SA / %mom_SA			3.1%	-1.2%	-4.1%	-12.3%	-6.1%	-10.8%	37.1%	
Registration of new motorcycles (%YoY)	-2.9%	-3.4%	-0.1%	-7.1%	0.9%	-7.3%	-6.8%	-17.3%	-2.0%	-2.0%
%qoq_SA / %mom_SA			-3.1%	-7.1%	7.4%	-4.3%	-9.8%	-5.2%	9.2%	
Consumer confidence index (level)	67.8	62.6	68.1	64.8	60.8	56.8	56.4	56.0	54.9	54.9
Farmers’ real incomes (FPO) (%YoY)	1.4%	1.7%	1.3%	2.0%	4.0%	0.3%	0.4%	0.3%	4.6%	4.6%

Economic indicators on private investment continued to slowdown

Private Investment Indicators	2018	2019	2019				2020				
			Q1	Q2	Q3	Q4	Nov	Dec	Jan	YTD	
Machinery and equipment sector											
Import volume of capital goods (%YoY)	3.4%	-5.3%	-9.6%	-6.4%	-1.0%	-4.2%	-11.2%	-1.8%	3.8%	3.8%	
%qoq_SA / %mom_SA			-5.9%	2.5%	1.4%	-2.0%	-6.4%	3.5%	4.4%		
Commercial car sales (%YoY)	22.2%	-5.1%	9.5%	2.9%	-11.3%	-18.0%	-16.1%	-22.9%	-13.6%	-13.6%	
%qoq_SA / %mom_SA			-4.4%	2.2%	-10.7%	-5.7%	-3.8%	-11.3%	11.9%		
Construction sector											
Real estate tax collection (%YoY)	13.2%	-5.5%	4.9%	-15.6%	-2.3%	-7.4%	-6.3%	-4.6%	-17.4%	-17.4%	
%qoq_SA / %mom_SA			-0.3%	-14.5%	14.0%	-4.2%	0.2%	3.0%	-10.5%		
Cement sales (%YoY)	4.3%	-5.8%	-5.2%	-3.9%	-9.2%	-4.9%	-2.2%	-3.1%	-5.0%	-5.0%	
%qoq_SA / %mom_SA			-4.4%	-0.8%	-0.8%	1.0%	4.1%	-5.5%	-0.4%		
Construction material price index (%YoY)	2.6%	-1.3%	0.0%	0.0%	-2.4%	-2.8%	-3.1%	-2.1%	-1.7%	-1.7%	

On the fiscal sector, total government expenditure in January 2020 was 217.0 billion Baht where the annual expenditure was 192.1 billion Baht and the carry-over was 24.9 billion Baht.

Fiscal Sector Indicators	2018	2019	2019				2020			
			Q1	Q2	Q3	Q4	Nov	Dec	Jan	YTD
Annual Expenditure	2,792.1	2,788.3	893.0	669.2	590.2	635.9	154.6	227.3	192.1	921.6
%YoY	3.9%	-0.1%	-0.5%	16.8%	-15.1%	1.6%	-22.6%	-7.4%	-32.9%	-21.9%
Current Expenditure	2,411.8	2,401.1	817.7	569.0	497.5	516.8	148.9	217.6	184.1	887.6
%YoY	4.6%	-0.4%	0.9%	18.8%	-17.6%	-0.3%	-17.9%	1.7%	-28.2%	-17.4%
Capital Expenditure	380.3	387.2	75.2	100.2	92.7	119.0	5.7	9.8	8.0	34.0
%YoY	-0.1%	1.8%	-13.7%	7.0%	0.8%	10.6%	-68.8%	-69.0%	-73.4%	-67.7%
Carry-Over (Last Year)	215.1	254.9	70.8	61.0	71.3	51.8	26.7	33.2	24.9	105.5
%YoY	5.5%	18.5%	1.5%	5.3%	66.6%	16.0%	0.4%	40.2%	35.4%	18.3%
Total Expenditure	3,007.2	3,043.2	963.7	730.2	661.5	687.7	181.3	260.6	217.0	1,027.1
%YoY	4.0%	1.2%	-0.4%	15.8%	-10.4%	2.5%	-19.9%	-3.2%	-28.8%	-19.0%

External demand has begun to recover as there was less contraction compared to the previous month.

Export	Share	2018	2019	2019				2020	
				Q1	Q2	Q3	Q4	Dec	Jan
Total Export	100.0%	6.9%	-2.7%	-1.9%	-3.8%	-0.5%	-4.5%	-1.3%	3.4%
U.S.A	12.7%	5.5%	11.8%	32.0%	3.3%	7.7%	5.4%	15.6%	9.9%

China	11.8%	2.7%	-3.8%	-10.3%	-9.0%	2.8%	1.6%	7.3%	5.2%
Japan	10.0%	13.0%	-1.5%	-1.4%	-2.3%	2.9%	-5.0%	-4.4%	-2.5%
EU	8.6%	5.1%	-6.6%	-7.1%	-7.3%	-5.6%	-6.4%	-1.9%	0.6%
Australia	5.0%	2.9%	-4.2%	-9.3%	-7.5%	12.1%	-12.6%	-8.3%	-16.0%
Vietnam	4.9%	11.9%	-6.5%	6.1%	2.8%	-14.1%	-17.1%	-18.6%	-7.9%
Hong Kong	4.8%	1.8%	-6.5%	-13.6%	-5.1%	-5.4%	-1.1%	-2.7%	-14.3%
Malaysia	4.2%	12.6%	-10.2%	-3.4%	-8.5%	-17.8%	-10.1%	-7.5%	-18.8%
Indonesia	3.7%	15.9%	-11.2%	-8.9%	-18.9%	-13.0%	-3.2%	-8.7%	-4.5%
Singapore	3.6%	13.6%	-6.1%	-10.9%	10.7%	-5.8%	-17.0%	-9.8%	65.7%
Middle East	3.4%	-5.1%	-1.9%	-7.3%	-8.3%	2.4%	6.9%	11.3%	2.0%
India	3.0%	17.8%	-3.9%	1.3%	4.3%	-8.1%	-14.3%	-11.6%	-5.7%
Philippines	2.8%	13.9%	-12.5%	-8.4%	-17.4%	-15.1%	-8.6%	-14.4%	-7.9%
Africa	2.8%	10.8%	-10.9%	-4.7%	-11.0%	-12.8%	-15.2%	-16.7%	-14.2%
South Korea	1.9%	6.0%	-4.3%	-5.9%	-0.3%	-10.3%	-0.9%	9.8%	-4.0%
Taiwan	1.6%	-0.9%	0.8%	-14.4%	-5.3%	10.0%	15.3%	16.1%	13.1%
ASEAN-9	25.5%	14.9%	-8.2%	-4.4%	-5.9%	-13.9%	-8.2%	-4.6%	1.8%
ASEAN-5	14.4%	13.6%	-9.6%	-7.7%	-8.7%	-12.1%	-9.8%	-9.5%	3.8%
Indochina-4	11.2%	16.7%	-6.3%	0.1%	-2.0%	-16.2%	-6.2%	1.1%	-0.7%

Supply-side indicators were supported by the number of inbound foreign tourists.

Supply-Side Indicators	2018	2019	2019				2020			
			Q1	Q2	Q3	Q4	Nov	Dec	Jan	YTD
Agricultural Production Index (%YoY)	7.5%	0.6%	2.5%	1.1%	2.8%	-2.5%	-3.1%	-3.4%	-2.2%	-2.2%
Manufacturing Production Index (%YoY)	3.7%	-3.6%	-1.2%	-2.4%	-4.2%	-6.8%	-8.0%	-4.4%	-4.6%	-4.6%
Thai Industrial Sentiment Index (Index)	91.6	93.7	95.2	95.1	92.8	91.7	92.3	91.7	92.2	92.2
Number of Inbound Foreign Tourists (%YoY)	7.3%	4.2%	2.1%	1.4%	7.2%	6.4%	5.9%	2.5%	2.5%	2.5%

Internal economic stabilities remained favourable and external economic stability remained robust.

Macroeconomic Stability Indicators	2018	2019	2019				2020			
			Q1	Q2	Q3	Q4	Nov	Dec	Jan	YTD
Internal Stability										
Headline inflation (%YoY)	1.1%	0.7%	0.7%	1.1%	0.6%	0.4%	0.2%	0.9%	1.1%	1.1%
Core inflation (%YoY)	0.7%	0.5%	0.6%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%
Unemployment rate (%)	1.1%	1.0%	0.9%	1.0%	1.0%	1.0%	1.1%	1.0%	N/A	N/A
Public debt to GDP (%)	41.9%	41.2%	41.8%	41.4%	41.2%	41.2%	41.3%	41.2%	41.3%	41.3%
External Stability										
Current account (Billion USD)	28.5	37.3	12.4	5.2	9.2	10.4	3.4	4.1	N/A	N/A
International reserves (Billion USD)	205.6	224.3	212.2	215.8	220.5	224.3	221.0	224.3	230.3	230.3
Net Forward Position (Billion USD)	33.7	34.7	32.6	34.5	33.1	34.7	33.3	34.7	33.1	33.1
International reserves to short term external debt (times) /2	3.3	3.8	3.4	3.5	3.8	3.8	3.8	3.8	N/A	N/A

Table 1: Quarterly Economic Indicators

Monthly Economic Indicators	2561	2562	2562				2563		
			Q1	Q2	Q3	Q4	Dec	Jan	YTD
External sector									
Dubai crude oil price (US\$/Barrel) /7	69.42	63.54	63.52	67.39	61.16	62.08	64.89	64.29	64.29
Fed funds rate (%) /7	2.25-2.50	1.50-1.75	2.25-2.50	2.25-2.50	1.75-2.00	1.50-1.75	1.50-1.75	1.50-1.75	1.50-1.75
Fiscal sector									
Government expenditure (Billion baht) /1	2,792.1	2,788.3	893.0	669.2	590.2	635.9	227.3	192.1	921.6
(%YoY) /1	3.9%	-0.1%	-0.5%	16.8%	-15.1%	1.6%	-7.4%	-32.9%	-21.9%
Budget expenditure (Billion baht) /1	2,411.8	2,401.1	817.7	569.0	497.5	516.8	217.6	184.1	887.6
(%YoY) /1	4.6%	-0.4%	0.9%	18.8%	-17.6%	-0.3%	1.7%	-28.2%	-17.4%
Current expenditure (Billion baht) /1	380.3	387.2	75.2	100.2	92.7	119.0	9.8	8.0	34.0
(%YoY) /1	-0.1%	1.8%	-13.7%	7.0%	0.8%	10.6%	-69.0%	-73.4%	-67.7%
Capital expenditure (Billion baht) /1	215.1	254.9	70.8	61.0	71.3	51.8	33.2	24.9	105.5
(%YoY) /1	5.5%	18.5%	1.5%	5.3%	66.6%	16.0%	40.2%	35.4%	18.3%
Carry-over budget (Billion baht) /1	3,007.2	3,043.2	963.7	730.2	661.5	687.7	260.6	217.0	1,027.1
(%YoY) /1	4.0%	1.2%	-0.4%	15.8%	-10.4%	2.5%	-3.2%	-28.8%	-19.0%
Supply-side indicators									
Agricultural sector									
Agricultural Production Index (%YoY) /6	7.5%	0.6%	2.5%	1.1%	2.8%	-2.5%	-3.4%	-2.2%	-2.2%
Agricultural Price Index (%YoY) /6	-5.4%	1.8%	-0.7%	2.4%	2.3%	3.5%	5.4%	9.0%	9.0%
Real farm income (%YoY) /14	1.4%	1.7%	1.3%	2.0%	4.0%	0.3%	0.3%	4.6%	4.6%
New employment in agricultural sector(%YoY) /3	3.1%	-3.2%	-3.7%	-3.6%	-4.2%	-1.4%	2.1%	N/A	N/A
Industrial sector									
Manufacturing Production Index (%YoY) /10	3.7%	-3.6%	-1.2%	-2.4%	-4.2%	-6.8%	-4.4%	-4.6%	-4.6%
Import value of raw materials in USD (%YoY) /1	9.7%	-7.6%	-8.2%	-2.9%	-13.2%	-5.4%	0.4%	-10.2%	-10.2%
Import volume of raw materials in USD (%YoY) /1	11.1%	-6.4%	-7.1%	-0.3%	-10.8%	-6.9%	-1.0%	-11.4%	-11.4%
Capacity utilization (%) /10	69.8%	66.3%	71.3%	65.6%	65.0%	63.4%	64.0%	66.5%	66.5%
New employment in industrial sector (%YoY) /3	1.1%	-0.2%	2.4%	0.8%	-2.2%	-2.0%	-4.7%	N/A	N/A
Thai Industrial Sentiment Index (Index)	91.6	93.7	95.2	95.1	92.8	91.7	91.7	92.2	92.2

Monthly Economic Indicators	2561	2562	2562				2563		
			Q1	Q2	Q3	Q4	Dec	Jan	YTD
/9									
Service sector									
No. of foreign tourists (Million persons) /11	38.2	39.8	10.8	9.0	9.7	10.3	3.9	3.8	3.8
(%YoY)/14	7.3%	4.2%	2.1%	1.4%	7.2%	6.4%	2.5%	2.5%	2.5%
New employment in service sector(%YoY) /3	-0.2%	1.0%	3.3%	1.6%	-0.4%	-0.6%	-0.3%	N/A	N/A
Demand-side indicators									
Private consumption indicators									
Value added tax at constant price (%YoY) /1	5.6%	-1.7%	1.7%	0.4%	-5.7%	-3.1%	0.8%	-2.6%	-2.6%
Import volume of consumer goods in USD (%YoY) /1	8.4%	2.8%	1.0%	-1.2%	8.1%	3.6%	12.6%	7.0%	7.0%
Sales of passenger cars (%YoY)/14	15.4%	-0.3%	13.9%	3.7%	-1.7%	-14.6%	-18.7%	0.4%	0.4%
Sales of motorcycles (%YoY)/13	-2.9%	-3.4%	-0.1%	-7.1%	0.9%	-7.3%	-17.3%	-2.0%	-2.0%
Consumer Confidence Index (Index) /5	67.8	62.6	68.1	64.8	60.8	56.8	56.0	54.9	54.9
Private investment indicators									
Import volume of capital goods in USD (%YoY) /1	3.4%	-5.3%	-9.6%	-6.4%	-1.0%	-4.2%	-1.8%	3.8%	3.8%
Sales of commercial cars (%YoY)/14	22.2%	-5.1%	9.5%	2.9%	-11.3%	-18.0%	-22.9%	-13.6%	-13.6%
Total taxes collected from real estate transaction (%YoY) /1	13.2%	-5.5%	4.9%	-15.6%	-2.3%	-7.4%	-4.6%	-17.4%	-17.4%
Domestic cement sales (%YoY) /2	4.3%	-5.8%	-5.2%	-3.9%	-9.2%	-4.9%	-3.1%	-5.0%	-5.0%
Construction material price index (%YoY) /14	2.6%	-1.3%	0.0%	0.0%	-2.4%	-2.8%	-2.1%	-1.7%	-1.7%
International trade indicators									
Exports (Billion USD): custom basis	253.0	246.2	62.1	61.0	63.6	59.6	19.2	19.6	19.6
(%YoY)/4	6.9%	-2.7%	-1.9%	-3.8%	-0.5%	-4.5%	-1.3%	3.3%	3.3%
Export price (%YoY)/4	3.4%	0.3%	0.4%	0.2%	0.4%	0.4%	1.1%	0.7%	0.7%
Export volume (%YoY)/14	4.0%	-3.5%	-3.2%	-6.0%	0.1%	-4.9%	-2.4%	2.6%	2.6%
Imports (Billion USD): custom basis	248.2	236.6	59.9	58.7	60.2	57.9	18.6	21.2	21.2
(%YoY)/4	12.0%	-4.7%	-1.4%	-4.2%	-6.1%	-6.8%	2.5%	-7.9%	-7.9%
Import price (%YoY)/4	5.6%	0.2%	0.1%	-0.1%	-0.2%	0.8%	2.5%	2.1%	2.1%

Monthly Economic Indicators	2561	2562	2562				2563		
			Q1	Q2	Q3	Q4	Dec	Jan	YTD
Import volume (%YoY) /14	6.1%	-4.8%	-1.5%	-4.1%	-5.9%	-7.5%	0.0%	-9.7%	-9.7%
Trade balance (Billion USD): custom basis/4	4.8	9.6	2.2	2.3	3.4	1.7	0.6	-1.6	-1.6
External economic stability									
Average exchange rate (Baht/USD) /2	32.3	31.0	31.5	31.5	30.7	30.2	30.1	31.1	31.1
Current account (Billion USD)/2	28.5	37.3	12.4	5.2	9.2	10.4	4.1	N/A	N/A
International reserves (Billion USD)/2	205.6	224.3	212.2	215.8	220.5	224.3	224.3	230.3	230.3
Net Forward Position (Billion USD)/2	33.7	34.7	32.6	34.5	33.1	34.7	34.7	33.1	33.1
International reserves to short term external debt (times) /2	3.3	3.8	3.4	3.5	3.8	3.8	3.8	N/A	N/A
Internal economic stability									
Unemployment rate (%) /3	1.1%	1.0%	0.9%	1.0%	1.0%	1.0%	1.0%	N/A	N/A
Producer Price Index (%YoY)/4	0.4%	-1.0%	-0.4%	-0.1%	-1.6%	-1.7%	-0.3%	0.8%	0.8%
Headline inflation (%YoY)/4	1.1%	0.7%	0.7%	1.1%	0.6%	0.4%	0.9%	1.1%	1.1%
Core inflation (%YoY)/4	0.7%	0.5%	0.6%	0.5%	0.4%	0.5%	0.5%	0.5%	0.5%
Public debt to GDP (%) /1	41.9%	41.2%	41.8%	41.4%	41.2%	41.2%	41.2%	41.3%	41.3%