

# Monthly Fiscal Report

## (October - December 2015)

### Revenue

- **In December 2015**, government collected revenue at 235,512 million Baht, above the target by 57,916 million Baht or 32.6 percent. Mainly result from other government agencies' revenue that was above the target by 52,879 million Baht or 238.1 percent. Also, Value Added Tax from domestic consumption was above the target by 2,392 million Baht or 6.5 percent respectively. Auto mobile excise tax and import duty were above the target by 2,192 and 1,066 million Baht or 25.6 and 10.9 percent respectively.
- **During the first quarter of fiscal year 2016 (October – December 2015)**, government revenue collection amounted to 581,306 million Baht, above the target by 64,545 million Baht or 12.5 percent. Due to other government agencies' revenue and remittance of State Own Enterprises' revenue were above the target by 56,084 and 3,253 million Baht or 111.0 and 11.6 percent respectively. Also, revenues collection from Revenue Department and Customs Department were above than the target by 3,091 and 549 million Bath or 2.5 and 1.8 percent respectively.

### Expenditure

- **In December 2015**, government budget was disbursed at 283,793 million Baht. The disbursement comprises current year expenditure of 239,096 million Baht (current expenditure of 206,044 million Baht and capital expenditure of 33,052 million Baht) and carry-over expenditure of 44,697 million Baht.
- **During the first quarter of fiscal year 2016 (October – December 2015)**, the government expenditure was disbursed at 890,922 million Baht. The disbursement comprises current year expenditure of 807,669 million Baht or 29.7 percent of total budget (current expenditure of 739,608 million Baht and capital expenditure of 68,061 million Baht) and carry-over expenditure of 83,253 million Baht.
- After included disbursement of investment under Thai Kem-Kang 2012 Project (TKK 2012) of 634 million Baht, loans under Water Resource Management Decree of 235 million Baht, Water Management and Road Construction Urgent Projects of 27,790 million Baht and foreign loans of 659 million Baht and, **the total government spending was 920,240 million Baht.**

### Fiscal Balance

- **Government Fiscal Balance under Cash Basis:** During the first quarter of fiscal year 2016 (October – December 2015), the government revenue was 579,473 million Baht while government budget disbursement was 890,922 million Baht. As a result, the budgetary balance was in a deficit of 311,449 million Baht. After accounted for a surplus in the non-budgetary balance of 6,461 million Baht, the overall government cash balance was in a deficit of 304,988 million Baht.
- **The treasury reserve** at the end of December 2015 was at 386,497 million Baht.
- **Government Fiscal Balance under Government Finance Statistics (GFS) Basis:** During the first quarter of fiscal year 2016 (October – December 2015), government revenue was 614,765 million Baht, while expenditure amounted to 886,458 million Baht, resulting in a budgetary deficit of 271,693 million Baht. After including a surplus from extra-budgetary funds' operation of 60,137 million Baht and taking into account the expenditure from Management and Road Construction Urgent Projects, investment under TTK 2012, taking into account the expenditure from Development Policy Loan (DPL) , Water Resource Management Decree and foreign loans of 27,790, 634, 626, 235 and 33 million Baht respectively, the total government fiscal balance was in a deficit of 240,874 million Baht.

### Local Administrative Organization (LAO) Fiscal Balance

- During the fourth quarter of fiscal year 2015 (July – September 2015), Local Administrative Organization (LAO)'s total revenue was 129,052 million Baht (LAO own collection revenue of 14,610 million Baht, government tax sharing of 66,612 million Baht, and government grant of 47,830 million Baht). With an estimated LAO's expenditure disbursement at 150,824 million Baht<sup>1</sup>, LAO's fiscal balance was in a deficit of 21,772 million Baht.

### Public Debt

- At the end of November 2015, the outstanding public debt stood at 5,975,766 million Baht or 44.5 percent of GDP. Domestic public debt accounted for 94.1 percent while 5.9 percent was in foreign debt. By instrument, the debt comprises long-term debt of 94.9 percent and short-term debt 5.1 percent. By maturity date, the debt comprises a long-term debt of 84.5 percent and a short-term debt of 15.5 percent.

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<sup>1</sup> The calculation of LAO expenditure was based on the banking system's net claim on local government collected by the Bank of Thailand and the LAO's deposit account in the treasury.

### Fiscal Sustainability (60 – 15 – 0 – 25)

- Ministry of Finance has set up fiscal sustainability framework which comprises  
(1) Outstanding public debt to GDP not more than 60 percent (2) Total debt service to government budget not more than 15 percent (3) Medium-term budgetary balance and (4) Capital expenditure to government budget at least 25 percent.
  - Medium Term Fiscal Sustainability Framework (Fiscal Year 2015-2019) :
    - **Public debt to GDP ratio** is estimated at 43.5 percent of GDP by the end of fiscal year 2015 and expected to increase to 49.9 percent of GDP by the end of fiscal year 2019.
    - **Debt service to government budget ratio** is anticipated at 7.1 percent in fiscal year 2015 and expected to increase to 10.0 percent in fiscal year 2019.
    - **Budget deficit reduction** from 400 billion Baht in fiscal year 2012 to 250 billion Baht in fiscal year 2015. Nevertheless, in order to reduce the effect of global economic slowdown, government has decided to pursue the deficit budget policy until economic situation has been recovered. After that, the balance budget policy will be adopted.
    - **Capital expenditure to government budget ratio** is estimated at 22.2 percent on average during fiscal year 2015 – 2019. However, once included planned investment projects under Water Resource Management Decree and Infrastructure Development projects, capital expenditure to government budget ratio will increase to 25.0 percent on average.
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