



28 October 2016

Monthly Economic Report (September and Q3/2016)

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Mr. Krisada Chinavicharana, Director-General of the Fiscal Policy Office, Spokesperson of the Ministry of Finance revealed that "The Thai economy in September and Q3/2016 expanded from private consumption which improved from increasing farmers' income, meanwhile government expenditures particularly capital expenditures was a main economic supporter. In addition, exports of goods in September showed an expansion for 2 months consecutively and tourism sector remained in positive growth." **The details were summarized as follows:**

Private consumption improved as **real VAT collection** in September in 2016 expanded by 3.2 percent per year and expanded by 5.5 percent per month after seasonal adjustment due to an increase in real VAT collection from domestic consumption base which expanded by 5.2 percent per year. Consequently, in Q3/2016 real VAT collection expanded by 1.2 percent per year. Likewise, **new motorcycle registrations** increased by 13.4 percent per year in Bangkok Metropolitan Region and other regions, and increased in the sixth consecutive month as farmers' income improved from an ease of drought and an increase in agricultural prices. As a result, in Q3/2016 new motorcycle registrations expanded by 14.1 percent per year and expanded by 2.2 percent per quarter after seasonal adjustment. In addition, **passenger car sales** increased continually by 13.6 percent per year and increased by 2.2 percent per month after seasonal adjustment and consequently, in Q3/2016 passenger car sales increased by 10.6 percent per year and expanded by 1.2 percent per quarter after seasonal adjustment. Meanwhile, **farmers' real income** increased by 11.3 percent per year in September and increased by 11.0 percent per year in Q3/2016. **Imports of consumers' goods** in September contracted by -3.7 percent per year but in Q3/2016 expanded by 1.5 percent per year. However, people still had confidence in Thai economy as reflected by the **Consumer Confidence Index (CCI)** in September which moved up to 63.4 points, increased in the third consecutive month and counted as the highest in 6 months and in Q3/2016 CCI stood at 62.3 points increasing from last quarter which was 61.1 points.

Private investment showed remaining signs particularly in equipment and machinery sector as reflected from **the imports of capital goods** which expanded by 6.1 percent per year and expanded by 8.6 percent per month after seasonal adjustment, and in Q3/2016 the imports of capital goods

slightly contracted by -0.3 percent per year but expanded by 4.2 percent per quarter after seasonal adjustment.

Government expenditures particularly **capital expenditures** expanded well as the disbursement in Q3/2016 (Q4 of Fiscal Year (FY) 2016) was amounted at 558.7 billion baht contracting by -2.0 percent per year. **The annual budgetary expenditure** was disbursed 528.3 billion baht, increasing by 0.7 percent per year as capital expenditure was disbursed 100.0 billion baht, increasing by 31.0 percent per year. As a result, total disbursement of Fiscal Year 2016 was recorded at 2,578.9 billion baht which was 92.9 percent of budget framework (2,776.0 billion baht). **Net government revenue collection (net of local authorities' allocation)** in Q3/2016 (Q4 of FY 2016) was amounted at 597.7 billion baht, increasing by 2.4 percent per year and in Fiscal Year 2016 net government revenue collection was 2,393.5 billion baht increasing by 8.1 percent per year. **The budget balance** in Q3/2016 (Q4 of FY2016) showed a surplus of 44.1 billion baht and showed a deficit of -395.8 billion baht in FY2016.

Export values of goods in September 2016 expanded in the second consecutive months. The values in terms of U.S. dollars showed an expansion of 3.4 percent per year. In addition, major export markets such as E.U., China, U.S.A., and Japan expanded well. Export goods showed an expansion composed of vehicles and parts, electronics, electrical appliances, and agricultural products such as rice, cassava, food, and frozen and processed chicken. In Q3/2016 exports of goods expanded by 1.2 percent per year and increased by 3.5 percent per quarter after seasonal adjustment. Meanwhile, **imports of goods in terms of U.S. dollars** expanded by 5.6 percent per year and in Q3/2016 decreased by -1.2 percent per year but expanded by 3.4 per quarter after seasonal adjustment. As such the greater export values compared to that of imports resulted in the trade surplus of 2.5 billion USD in September and 5.9 billion USD in Q3/2016.

Supply side indicators showed good signs as reflected by **the number of inbound foreign tourists** (preliminary) in September 2016 was amounted at 2.41 million persons, expanding by 17.7 percent per year and expanding by 0.2 percent per month after seasonal adjustment. In Q3/2016 by the number of inbound foreign tourists was amounted at 8.23 million persons expanding by 12.8 percent per year and expanding by 2.9 percent per quarter after seasonal adjustment. **Agricultural Production Index (API)** in September 2016 expanded by 4.0 percent per year and expanded by 7.4 percent per month after seasonal adjustment due to an expansion of cassava and corn during harvest season. In Q3/2016, API decreased by -0.5 percent per year but expanded by 2.1 percent per quarter after seasonal adjustment. Meanwhile, **Agricultural Price Index** in September 2016 expanded at slower pace by 8.0 percent per year as prices in cassava and corn decreased from excess products in the market. As a consequence, in Q3/2016 Agricultural Price Index expanded by 13.1 percent per year and expanded by 6.6 percent per quarter after seasonal adjustment. In addition, **Thai Industries Sentiment Index (TISI)** in September 2016 increased to 84.8 points due to an increasing in orders, sales, products, and business profits.

Economic stabilities remained robust. In September 2016 **headline inflation and core inflation** were at a low level of 0.4 and 0.8 percent per year, respectively, hence in Q3/2016 headline inflation and core inflation expanded by 0.3 and 0.8 percent per year. Meanwhile, **unemployment rate** was also at a low level of 0.9 percent of total labor force or 330,000 persons and in Q3/2016 unemployment rate was 0.9 of total labor force. In addition, **Public debt to GDP** at the end of August 2016 stood at 42.6 percent of GDP, lower than the Fiscal Sustainability Framework of 60 percent of GDP. **The international reserves** at the end of September 2016 were high at 180.5 billion USD, or approximately 3.1 times of short-term external debt reflecting the resilient ability to risk from the volatilities in global economy.

See Attachment for more details.

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1. Private consumption improved as real VAT collection in September in 2016 expanded by 3.2 percent per year and expanded by 5.5 percent per month after seasonal adjustment due to an increase in real VAT collection from domestic consumption base which expanded by 5.2 percent per year. Consequently, in Q3/2016 real VAT collection expanded by 1.2 percent per year. Likewise, **new motorcycle registrations** in September 2016 expanded by 13.4 percent per year in Bangkok Metropolitan Region and other regions, and increased in the sixth consecutive month as farmers’ income improved from an ease of drought and an increase in agricultural prices. As a result, in Q3/2016 new motorcycle registrations expanded by 14.1 percent per year and expanded by 2.2 percent per quarter after seasonal adjustment. In addition, **passenger car sales** in September 2016 increased continually by 13.6 percent per year and increased by 2.2 percent per month after seasonal adjustment and consequently, in Q3/2016 passenger car sales increased by 10.6 percent per year and expanded by 1.2 percent per quarter after seasonal adjustment. Meanwhile, **farmers’ real income** increased by 11.3 percent per year in September and increased by 11.0 percent per year in Q3/2016. **Imports of consumers’ goods** in September contracted by -3.7 percent per year but in Q3/2016 expanded by 1.5 percent per year. However, people still had confidence in Thai economy as reflected by the **Consumer Confidence Index (CCI)** in September which moved up to 63.4 points, increased in the third consecutive month and counted as the highest in 6 months and in Q3/2016 CCI stood at 62.3 points increasing from last quarter which was 61.1 points and this reflected that consumers were confident in economy due to an ease of drought, an increase in agricultural prices and products, and an improvement in farmers’ income.

Private Consumption Indicators	2015	2015				2016					
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	YTD
Real Value Added Tax Collection (%yoy)	1.0	1.0	1.7	-0.7	2.1	0.1	3.7	1.2	-0.5	3.2	1.7
<i>%qoq_SA / %mom_SA</i>		1.2	-0.9	-0.6	2.3	-0.7	2.7	-2.8	-1.8	5.5	
Imports of Consumer Goods (%yoy)	2.2	10.8	2.0	1.5	-4.4	3.6	3.4	1.5	5.3	-3.7	2.9
<i>%qoq_SA / %mom_SA</i>		-1.4	-3.2	0.6	-1.0	7.5	-3.4	-1.1	3.2	-8.8	
Passenger Car Sales (%yoy)	-19.1	-12.5	-27.3	-24.9	-11.7	-26.6	4.9	10.6	8.7	13.6	-4.9
<i>%qoq_SA / %mom_SA</i>		0.0	-16.1	-4.3	8.7	-15.3	19.1	1.2	-2.4	2.2	
Registration of new motorcycles (%yoy)	-0.2	10.9	-2.9	-10.6	2.3	-3.3	7.9	14.1	21.0	13.4	5.7
<i>%qoq_SA / %mom_SA</i>		9.5	-10.8	-2.8	7.8	3.3	0.1	2.2	23.3	-0.6	
Farmers' real incomes (calculated by FPO)	-8.8	-4.0	-15.1	-13.7	-5.7	-12.5	0.8	11.0	5.7	11.3	-1.7
Consumer Confidence Index	64.7	68.4	64.9	61.8	63.6	63.4	61.1	62.3	62.2	63.4	62.3

2. Private investment in overall showed remaining signs particularly investment in equipment and machinery as reflected by **the imports of capital goods** which expanded by 6.1 percent per year and expanded by 8.6 percent per month after seasonal adjustment. As a consequence, in Q3/2016 the imports of capital goods slightly contracted by -0.3 percent per year but expanded by 4.2 percent per quarter after seasonal adjustment. Meanwhile, **commercial car sales** in September 2016 contracted by -3.3 percent per year as 1-ton pickup truck sales showed a contraction of -3.2 percent per year. Consequently, in Q3/2016 **commercial car sales** contracted -3.4 percent per year. **Investment in construction** as reflected by **real estate tax collection** in September 2016 turned to decrease by -0.5 percent per year and in Q3/2016 real estate tax collection contracted by -5.7 percent per year. **Domestic cement sales** in September 2016 continued to contract by -8.6 percent per year and in Q3/2016 domestic cement sales contracted by -6.0 percent per year. **Construction Materials Price Index (CMI)** in September 2016 recorded a decrease with slower pace by -1.9 percent per year as price index in steel and steel products inclined. As a result, in Q3/2016, CMI contracted by -3.5 percent per year.

Private Investment Indicators	2015	2015				2016					
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	YTD
Construction sector											
Real estate tax collection (%yoy)	8.7	7.3	2.9	-0.5	22.2	6.6	13.2	-5.7	7.1	-0.5	4.6
%qoq_SA / %mom_SA		-1.2	-4.5	4.7	22.3	-12.7	1.9	-13.5	35.7	-9.6	
Cement sales (%yoy)	-0.4	-2.5	-0.2	-0.7	2.1	3.1	-1.6	-6.0	-5.5	-8.6	-1.4
%qoq_SA / %mom_SA		0.3	1.6	-0.6	0.8	1.3	-3.2	-4.8	-1.4	-2.9	
Construction Materials Price Index (CMI)	-4.9	-3.7	-4.4	-5.7	-6.6	-5.1	-2.2	-3.0	-3.2	-1.9	-3.5
Machinery sector											
Commercial car sales (%yoy)	-2.6	-11.3	-17.3	-0.3	17.2	4.0	13.6	-3.4	-0.9	-3.3	4.3
%qoq_SA / %mom_SA		-1.3	-6.1	13.8	8.9	-9.5	1.9	-4.2	5.5	-1.6	
Imports of capital goods (%yoy)	-2.2	0.9	2.0	-10.8	0.2	-1.0	-11.6	-0.3	-5.6	6.1	-4.4
%qoq_SA / %mom_SA		0.0	2.0	-7.1	5.6	-0.9	8.8	4.2	0.4	8.6	
Imports of capital goods (exclude aircraft, ship, and train) (%yoy)	-1.4	0.1	-3.6	-2.3	0.1	0.0	-5.1	-2.4	-1.2	-1.1	-2.5
%qoq_SA / %mom_SA		-1.2	-0.6	-0.4	2.2	-1.3	-5.4	2.0	6.5	1.4	

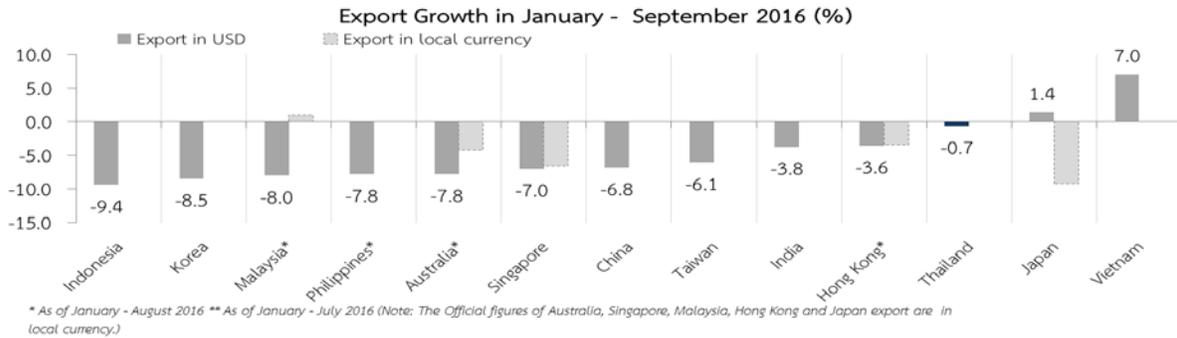
3. Government expenditures particularly **capital expenditures expanded** as **total government expenditure** in September 2016 was disbursed 215.9 billion baht, expanding by 8.0 percent per year. The annual budgetary expenditure was disbursed 202.9 billion baht or expanded by 14.7 percent per year as supporting factor from capital expenditure which disbursed 47.5 billion baht, highly expanding by 50.3 percent per year. In Q3/2016 (or Q4/Fiscal Year 2016) total government expenditure was disbursed 558.7 billion baht contracting -2.0 percent per year and the annual budgetary expenditure was disburse 528.3 billion baht expanding by 0.7 percent per year as supporting factor from capital expenditure which disbursed 100.1 billion baht, highly expanding by 31.0 percent per year. In Fiscal Year 2016, total government expenditure was disbursed 2,578.9 billion baht or 92.9 percent of budget framework (2,776.0 billion baht). **Net government revenue collection (net of local authorities' allocation)** in September 2016 was amounted at 213.0 billion baht, decreasing by -0.7 percent per year. In Q3/2016 (or Q4/Fiscal Year 2016), Net government revenue collection (net of local authorities' allocation) was amounted at 597.7 billion baht expanding 2.4 percent per year, and consequently, net government revenue collection (net of local authorities' allocation) of Fiscal Year 2016 was totaled at 2,393.5 billion baht expanding 8.1 percent per year. As a result, the **budget balance** in September 2016 showed a surplus of 48.4 billion baht resulting in a surplus budget balance in In Q3/2016 (or Q4/Fiscal Year 2016) of 44.1 billion baht. As a consequence, the budget balance of Fiscal Year 2016 showed a deficit of -395.8 billion baht.

Fiscal Sector Indicators (Billion Baht)	FY2015	FY2015				FY 216					
		Q1/ FY15	Q2/ FY15	Q3/ FY15	Q4/ FY15	Q1/ FY16	Q2/ FY16	Q3/ FY16	Q4/ FY16	Sep	FYTD
Net Government Revenue (net of local authorities' allocation)	2,213.4	507.5	469.9	652.5	585.5	585.9	492.6	717.2	597.7	213.0	2,393.5
(%y-o-y)	6.7	0.8	7.5	7.2	11.0	15.5	4.8	9.9	2.4	-0.7	8.1
Total government expenditure	2,601.4	844.1	617.6	569.6	570.1	890.9	680.0	677.8	558.7	215.9	2,807.4
(%y-o-y)	5.8	1.6	11.7	10.7	1.6	5.5	10.1	19.0	-2.0	8.0	7.9
Annual budgetary expenditure	2,378.1	766.4	557.7	529.4	524.6	807.7	604.2	638.8	528.3	202.9	2,578.9
(%y-o-y)	5.9	0.7	15.6	11.1	-0.3	5.4	8.3	20.7	0.7	14.7	8.4
Current expenditure	2,106.6	725.1	481.0	452.3	448.1	739.6	509.0	537.2	428.1	155.4	2,214.1
(%y-o-y)	7.4	12.5	7.3	8.1	-0.7	2.0	5.8	18.8	-4.5	6.9	5.1
Capital expenditure	271.6	41.3	76.7	77.1	76.4	68.1	95.1	101.5	100.1	47.5	364.9
(%y-o-y)	-4.4	-64.6	123.2	32.4	2.1	64.9	24.0	31.7	31.0	50.3	34.4
Expenditure (last year)	223.3	77.7	59.9	40.1	45.5	83.2	75.8	39.0	30.4	12.9	228.5
Budget Balance	-394.4	-347.3	-138.9	89.4	2.3	-306.9	-203.9	70.8	44.1	48.4	-395.8

4. External demand as shown by exports of goods in September was the second consecutive month. Exports values were amounted at 19.5 billion USD or expanded by 3.4 percent per year. Exports in September expanded in almost all main export markets particularly EU, China, U.S.A. and Japan, while exports to Middle East showed a contraction. Export goods showing an expansion were manufacturing goods such as vehicles and parts, electronics, electrical appliances, and agricultural goods such as rice, cassava, food, and frozen and processed chicken. In Q3/2016 exports values were amounted at 55.3 billion USD or expanded by 1.2 percent per year and expanded by 3.5 percent per quarter after seasonal adjustment. Meanwhile, **imports values** were recorded at 16.9 billion USD expanding by 5.6 percent per year. In Q3/2016 imports values were recorded at 49.8 billion USD contracting by -1.2 percent per year but expanded by 3.4 percent per quarter after seasonal adjustment. As such the greater export values compared to that of imports resulted in the trade surplus of 2.5 billion USD and in Q3/2016 the trade balance showed a surplus of 5.9 billion USD.

Main trading partners (16 countries) (Export share 2014 >> 15)	2014	2015	2015				2016					
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	YTD
Exports to the world (%yoy)	-0.4	-5.8	-4.7	-5.0	-5.3	-8.1	0.9	-4.1	1.2	6.5	3.4	-0.7
1.USA (10.5% >> 11.2%)	4.1	0.7	5.6	2.6	0.2	-4.9	-3.2	0.6	7.0	14.9	6.6	1.5
2.China (11.0% >> 11.1%)	-7.9	-5.4	-14.4	1.2	-1.0	-6.3	-6.4	-10.3	-0.4	4.4	7.7	-5.6
3.Japan (9.6% >> 9.4%)	-1.9	-7.7	-9.2	-3.9	-8.2	-9.6	5.7	-7.5	0.8	5.7	5.5	-0.4
4.EU (9.2% >> 9.3%)	4.7	-5.7	-3.9	-8.4	-4.4	-5.9	-0.5	-1.0	2.7	11.8	9.1	0.4
5.Malaysia (5.6% >> 4.8%)	-1.9	-20.2	-14.7	-18.3	-18.7	-28.5	-4.1	-12.9	-6.1	-5.9	2.6	-7.7
6.Hong Kong (5.6% >> 5.5%)	-4.4	-6.2	-11.5	-9.0	-2.0	-1.9	0.6	-8.2	-4.5	-4.3	-3.9	-4.0
7.Middle East (5.1% >> 4.8%)	0.0	-10.0	-6.4	-23.7	-6.4	-3.0	-9.5	-2.5	-14.3	-2.3	-18.9	-9.0
8.Australia (4.8% >> 5.3%)	-8.8	5.3	10.1	7.6	8.4	-3.5	5.5	12.4	10.7	24.0	5.4	9.5
9.Singapore (4.6% >> 4.1%)	-7.0	-16.2	-5.4	0.3	-26.1	-31.0	22.5	-35.7	-8.9	-17.0	-0.2	-10.3
10.Indonesia (4.2% >> 3.7%)	-12.5	-17.6	-15.4	-20.6	-21.0	-12.7	8.9	-7.3	16.1	30.0	7.3	5.7
11.Africa (3.7% >> 3.2%)	4.7	-20.2	-14.5	-15.9	-22.1	-27.9	-11.7	-9.8	-13.1	-6.9	0.6	-11.5
12.Vietnam (3.5% >> 4.2%)	9.8	13.0	17.7	16.7	8.3	10.9	3.1	-0.1	6.5	10.2	13.9	3.2
13.Philippines (2.6% >> 2.8%)	16.6	2.1	7.4	-3.4	-6.4	10.8	15.4	13.5	9.9	22.4	7.7	12.9
14.India (2.5% >> 2.5%)	8.4	-5.7	6.1	-4.8	-11.5	-11.8	-9.1	-2.4	-2.0	1.1	0.2	-4.6
15.South Korea (2.0% >> 1.9%)	-1.5	-9.2	0.6	-16.4	-10.7	-8.6	-9.7	-8.3	0.8	-1.8	15.2	-5.7
16.Taiwan (1.8% >> 1.6%)	19.0	-12.0	4.7	-11.5	-15.3	-23.1	-18.1	-1.1	-3.0	5.4	10.1	-7.7
PS.ASEAN-9 (26.1% >> 25.7%)	0.2	-7.2	-2.5	-5.9	-10.6	-9.3	3.9	-10.4	0.0	2.6	3.2	-2.3
PS.ASEAN-5 (17.0% >> 15.3%)	-3.9	-15.1	-9.5	-11.8	-19.5	-19.1	9.1	-38.0	1.1	4.2	3.9	-1.8
PS.CLMV (9.1% >> 10.4%)	9.0	7.7	10.5	5.5	7.2	7.9	-4.0	-3.5	-1.8	0.3	2.1	-3.1

However, to compare the Thai exports values with that of other countries in region, it was found that exports values of other countries contracted as well. In addition, to compare with the first 9 months of 2016, Thai exports values contracted by -0.7 percent per year, less than that of other countries in region.



5. Supply side indicators showed strong positive growth as reflected by the number of inbound foreign tourists which (preliminary) was recorded at 2.41 million persons or expanded by 17.7 percent per year or increased by 0.2 percent per month after seasonal adjustment and in Q3/2016 the number of inbound foreign tourists which was recorded at 8.23 million persons or expanded by 12.8 percent per year or increased by 2.9 percent per quarter after seasonal adjustment. **Agricultural Production Index** in September 2016 expanded by 4.0 percent per year and expanded by 7.4 percent per month after seasonal adjustment due to an expansion of cassava and corns in harvest season. Meanwhile, livestock and fishery expanded close to the previous month. As a result, in Q3/2016 Agricultural Production Index contracted by -0.5 percent per year but expanded by 2.1 percent per quarter after seasonal adjustment. Meanwhile, **Agricultural Price Index** in September 2016 expanded by 8.0 percent per year decelerating from last month as prices of main crops such as cassava and corns decreased due to excess products in the market and cassava's prices were affected from humidity due to heavy rain. Likewise, prices in livestock decreased due to heavy rain which was an obstacle in transaction and transportation. In Q3/2016 Agricultural Price Index expanded by 13.1 percent per year and expanded by 6.6 percent per quarter after seasonal adjustment. **Thai Industries Sentiment Index (TISI)** in September 2016 was increased to 84.8 points due to an increasing in orders, sales, products, and business profits.

Supply Side Indicators	2015	2015				2016					
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	YTD
Agricultural Production Index (%yoy)	-3.8	2.6	-11.1	-10.4	0.0	-7.4	-2.5	-0.5	-7.2	4.0	-3.9
%qoq_SA / %mom_SA		3.8	-10.7	0.9	6.3	-3.6	-4.8	2.1	-6.5	7.4	
Thai Industries Sentiment Index (TISI) (percent)	85.8	89.2	85.2	82.7	86.0	86.0	85.6	84.3	83.3	84.8	85.3
Manufacturing Production Index (%yoy)	0.3	0.4	-0.3	0.9	0.2	-0.9	1.7	n.a.	3.2	n.a.	0.0
%qoq_SA / %mom_SA		0.5	-2.2	1.2	0.7	0.1	0.3	-	5.2	-	
Number of Inbound foreign Tourists (%yoy)	20.4	22.8	36.9	24.9	3.7	15.5	8.2	12.8	11.0	17.7*	12.4
%qoq_SA / %mom_SA		3.0	8.2	-1.7	-5.7	15.4	1.2	2.9	-4.3	0.2	

*preliminary

6. Internal stabilities remained favourable and external stabilities remained robust. **Headline inflation** in September 2016 was 0.4 percent per year accelerating from previous month as prices in fresh food and processed food increased. Meanwhile, **core inflation** was 0.7 percent per year. Consequently, in Q3/2016, headline and core inflation expanded by 0.3 and 0.8 percent per year respectively. **Unemployment rate** in September was also at a low level of 0.9 percent of total labor force or 330,000 persons and in Q3/2016 unemployment rate was 0.9 of total labor force. In addition, **Public debt to GDP** at the end of August 2016 stood at 42.6 percent of GDP, lower than the Fiscal Sustainability Framework of 60 percent of GDP. **External stabilities** reflected the resilient ability to risk from the volatilities in global economy as **The international reserves** at the end of September 2016 were high at 180.5 billion USD, or approximately 3.1 times of short-term external debt.

Macroeconomic Stability Indicators	2015	2015				2016					
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Aug	Sep	YTD
Internal Stability											
Headline Inflation (%yoy)	-0.9	-0.5	-1.1	-1.1	-0.9	-0.5	0.3	0.3	0.3	0.4	0.0
Core Inflation (%yoy)	1.1	1.5	1.0	0.9	0.8	0.7	0.8	0.8	0.8	0.7	0.7
Unemployment rate (% of total labor force)	0.9	1.0	0.9	0.9	0.8	0.9	1.1	0.9	0.9	0.9	1.0
Public debt (% of GDP)	44.4	43.3	42.7	43.1	44.4	44.1	43.44	42.6**	42.6	-	42.6
External Stability											
Current Account Balance (Billion USD)	32.1	10.1	4.6	6.2	11.2	17.9	8.0	7.4*	3.8	-	33.2
International Reserves (Billion USD)	156.5	156.3	160.3	155.5	156.5	175.1	175.5	180.5	180.8	180.5	180.5
Net Forward (Billion USD)	11.7	19.6	18.4	13.3	11.7	13.9	15.7	20.2	19.1	20.2	22.8
International reserves to short term external debt (times)	3.0	2.9	2.8	2.8	3.0	3.0	2.9	3.1	3.1	-	3.1

The financial and fiscal measures that the Ministry of Finance has carried forward government policy and launched in September 2015 onwards would help support the economic growth of Thailand in previous year and 2016. The progress of measures until as of 25 October 2016 was summarized as follows:

1. Project to strengthen the grass-root economy under People's State approach through 79,556 village and urban community funds under the 35-billion-baht budget in which each village fund would be allocated budget up to 500,000 baht via the National Village and Urban Community Fund Office for investing in community infrastructure such as rice warehouse and mill, water reservoirs, and agricultural processing machines. The allocation would be also spent on various activities to enhance local workers' potential and upgrade the quality of life of residents. As of current status, Committee of the National Village and Urban Community Fund issued criteria for eligible projects and approved projects and budget for 64,909 funds worth 32,409 million baht and already transferred 31,237 million baht which was disbursed 21,867 million baht.

2. "One Tambon One Agricultural SME" policy loans to promote sustainability of Thai agricultural sector (The credit line of 72,000 million baht). Loan period is for 10 years with interest rate of 4 percent for the first seven years and apply to normal interest rate for the remaining three years (Year 8 – 10). As of 18 October 2016, loans were disbursed at 11,553 million baht to 8,847 agricultural SMEs.

3. Measures for low-income people in urban area under People's State approach

3.1 Project of Policy Loan for people. Individual could receive loan up to 50,000 baht. Loan period is for 5 years with interest rate of 0 percent for the first year and interest rate of 1 percent per month for year 2-5. The most updated data showed that loans were approved to 16,930 applicants worth 657 million baht.

3.2 Program of debt moratorium under People's State approach. Under the program, principle would be suspended up to 3 years (only debt would be paid) and/or extend period of debt payment up to 20 years. The most updated data showed that debt moratorium was approved to 10,390 individuals worth 6,422 million baht.

3.3 Training project for occupation development and financial literacy for small entrepreneurs in urban area. The project aims to give the training to 150,000 families (1 person per family). The most updated data showed that the training was already provided to 109,190 family members.

4. Short-term financial and fiscal measures to encourage SMEs competitiveness enhancement.

4.1 Project of Policy Loan (The credit line of 15,000 million baht). As of current status, SME Bank approved loan worth 12,831 million baht to 4,191 SMEs and the Thai Credit Guarantee Corporation (TCG) guaranteed loans worth 11,861 million baht to 4,133 SMEs.

4.2 Project of Policy Loan for SMEs to modify machinery and improve productivity (The credit line of 15,000 million baht). Loan period is for 7 years with interest rate of 4 percent per year. As of 25 October 2016, approved loans were amounted to 4,961 million baht to 416 SMEs.

4.3 Micro Entrepreneurs Guarantee Scheme Phase 2 (Guarantee budget framework of 13,500 million baht). Each micro entrepreneur could receive loan guarantee up to 200,000 baht. The guarantee would cover a loss/damage of 30-50 percent. As of 25 October 2016, The Thai Credit Guarantee Corporation (TCG) guaranteed an amount of 1,590 million baht to 15,782 Micro Entrepreneurs.

4.4 Measure to encourage SMEs through Venture Capital (The budget of 6,000 million baht). The Government Savings Bank approved venture capital to 5 SMEs entrepreneurs worth 115 million baht and approved the disbursement to 2 SMEs worth 15 million baht. SME Bank approved in principle for venture capital to 10 SME entrepreneurs worth 135.5 million baht which was already disbursed to 3 SME entrepreneurs worth 46 million baht.

5. Financial and fiscal measures to stimulate real estate sector. The goals are to boost real estate sector and to help low-income earners buy houses and be homeowner.

5.1 Loan measure for low-and medium-income earners, the Government Housing Bank has received the applications since 19 October 2015. Lately, the Government Housing Bank approved loan to 16,274 applicants worth 22,685 million Baht.

5.2 Soft loans for lower-income first-home buyers under People's State approach. The objectives are to help low-income people including government servants, soldiers, policemen, and academic personnel and people with uncertain salary or freelance who have never been homeowner and this measure covers housing repair and enlargement through relaxed home loans from state-owned banks. The most updated data (as of 25 October 2016) showed that the Government Housing Bank approved loans as Post Finance to 7,208 loan applicants worth 6,113 million baht and the Government Savings Bank approved loans as Pre Finance to 2 loan applicants worth 65 million baht, and approved loans as Post Finance to 3,670 loan applicants worth 3,322 million baht.

Table 1: Monthly Economic Indicators

	2015	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	YTD
External sector											
- Dubai crude oil price (US\$/Barrel) /7	51.0	26.7	29.4	35.2	39.0	44.3	46.3	42.6	43.5	43.4	38.9
- Fed funds rate (%) /7	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50
Fiscal sector											
- Net government revenue (Billion baht) /1	2045.3	158.2	149.1	185.2	170.4	308.7	238.2	177.3	208.6	212.0	1807.8
(%y-o-y) /1	7.3	-1.5	-0.3	16.0	-0.4	37.5	-7.3	24.5	-7.9	-1.2	6.0
- Tax collection from revenue, customs and excise dept. /12	2133.2	178.5	163.5	183.1	180.2	267.9	251.8	162.8	230.1	252.9	1870.8
(%y-o-y) /14	3.7	1.4	3.3	3.7	7.9	14.4	-8.4	5.3	1.0	9.0	3.8
- Income-based tax (Billion baht) /1	818.2	60.8	46.9	59.1	54.8	116.2	130.5	50.7	112.9	134.6	766.4
(%y-o-y) /1	3.3	5.1	3.8	4.6	6.5	15.0	6.1	8.5	0.0	10.0	6.9
- Consumption-based tax (Billion baht) /1	648.0	62.1	55.8	59.6	62.3	57.2	63.3	57.8	57.6	61.3	536.9
(%y-o-y) /1	-0.7	-1.4	1.9	-2.4	2.5	1.1	6.0	0.4	-0.6	3.3	1.2
- Government expenditure (Billion baht) /1	2364.4	259.9	160.6	259.5	223.6	189.4	264.8	184.2	158.7	215.9	1916.5
(%y-o-y) /1	7.4	20.5	6.8	3.2	16.8	7.1	31.5	-17.0	7.0	8.0	9.1
- Budget expenditure (Billion baht) /1	2180.3	241.0	138.6	224.6	211.5	176.5	250.8	176.1	149.2	202.9	1771.2
(%y-o-y) /1	8.4	21.8	5.5	-1.7	18.2	7.6	34.4	-15.6	7.4	14.7	9.9
- Current expenditure (Billion baht) /1	1915.0	220.8	108.9	179.4	186.3	139.6	211.4	153.9	118.8	155.4	1474.5
(%y-o-y) /1	5.2	22.0	-0.8	-5.7	19.3	0.0	34.9	-17.3	1.8	6.9	6.7
- Capital expenditure (Billion baht) /1	265.3	20.1	29.8	45.2	25.2	36.9	39.4	22.2	30.5	47.5	296.8
(%y-o-y) /1	38.8	19.6	36.9	18.5	10.6	51.0	31.9	-2.0	37.2	50.3	28.9
- Carry-over budget (Billion baht) /1	184.1	18.9	22.0	34.9	12.1	12.9	14.0	8.1	9.4	12.9	145.2
(%y-o-y) /1	-3.8	6.2	15.7	51.1	-3.4	0.8	-5.5	-39.0	1.0	-43.7	-0.3
- Budgetary Balance (Billion baht) /1	-326.4	-108.0	-18.9	-77.0	-56.1	51.2	75.8	-28.6	24.3	48.4	-88.9
Supply-side indicators											
Agricultural sector											
- Agricultural Production Index (%y-o-y) /6	-3.8	-4.9	-6.0	-11.8	-5.8	-0.7	-1.3	1.6	-7.2	4.0	-3.9
- Agricultural Price Index (%y-o-y) /6	-5.9	-11.2	-11.2	-11.2	-11.2	6.3	3.8	16.1	15.1	8.0	4.1
- Real farm income (%y-o-y) /14	-8.8	-9.6	-9.6	-9.6	-9.6	3.7	0.6	16.8	5.7	11.3	-1.7
- New employment in agricultural sector(%y-o-y) /3	-3.6	-4.1	-4.1	-4.1	-4.1	-10.1	-1.9	2.5	-4.4	-4.7	-3.7
Industrial sector											
- Manufacturing Production Index (%y-o-y) /10	0.3	-3.5	-1.7	2.2	0.9	2.7	1.4	-5.0	3.2	n.a	0.0
- Import value of raw materials in USD (%y-o-y) /1	-6.3	-15.3	-20.9	-11.5	-9.4	2.4	-0.7	-13.1	3.9	6.4	-6.8
- Import volume of raw materials in USD (%y-o-y) /1	-8.9	-10.6	-17.8	-9.5	-7.7	3.5	-0.1	-14.1	2.0	4.0	-5.9
- Capacity utilization (%) /10	64.7	65.1	66.9	74.3	59.5	67.5	66.7	62.3	64.4	n.a	65.9
- New employment in industrial sector(%y-o-y) /3	0.7	0.3	2.3	-2.5	2.3	3.5	-3.8	-4.6	1.8	0.0	-0.1
- Thai Industrial Sentiment Index (Index) /9	85.8	86.3	85.1	86.7	85.0	86.4	85.3	84.7	83.3	84.8	85.3
Service sector											
- No. of foreign tourists (Million persons) /11	29.9	3.0	3.1	3.0	2.6	2.5	2.4	3.0	2.9	2.4	24.8
(%y-o-y)/14	20.4	15.0	16.0	15.4	9.8	7.6	7.2	10.8	11.0	17.7	12.4
- New employment in service sector(%y-o-y) /3	2.0	3.5	-0.6	3.6	1.4	0.4	3.3	2.5	2.5	1.0	1.9
Demand-side indicators											
Private consumption indicators											
- Value added tax at constant price (%y-o-y) /1	1.0	-0.6	3.0	-1.6	2.9	1.7	6.5	0.8	-0.5	3.2	1.7
- Import volume of consumer goods in USD (%y-o-y) /1	2.2	-2.9	-4.2	18.5	-1.4	8.4	3.4	3.0	5.3	-3.7	2.9
- Sales of passenger cars (%y-o-y)/14	-19.1	-30.0	-29.9	-21.2	-11.9	8.3	19.6	9.6	8.7	13.6	-4.9
- Sales of motorcycles (%y-o-y)/13	-0.2	12.9	-11.1	-9.4	2.9	14.8	5.2	7.4	21.0	13.4	5.7
- Consumer Confidence Index (Index) /5	64.7	64.4	63.5	62.4	61.5	61.1	60.6	61.4	62.2	63.4	62.3
Private investment indicators											
- Import volume of capital goods in USD (%y-o-y) /1	-2.2	2.9	-11.6	6.5	-13.4	-5.4	-15.4	-0.7	-5.6	6.1	-4.4
- Sales of commercial cars (%y-o-y)/14	-2.6	-2.4	1.9	11.2	12.1	26.5	4.0	-6.1	-0.9	-3.3	4.3
- Total taxes collected from real estate transaction (%y-o-y) /1	8.7	-6.9	7.1	16.5	70.9	-22.6	-6.8	-23.4	7.1	-0.5	4.6
- Domestic cement sales (%y-o-y) /2	-0.4	-0.3	6.0	3.4	0.1	-1.1	-3.5	-4.0	-5.5	-8.6	-1.4
International trade indicators											
- Exports (Billion USD): custom basis	214.4	15.7	19.0	19.1	15.5	17.6	18.1	17.0	18.8	19.5	160.5
(%y-o-y)/4	-5.8	-8.9	10.3	1.3	-8.0	-4.4	-0.1	-6.4	6.5	3.4	-0.7
- Export price (%y-o-y)/4	-2.3	-2.8	-2.6	-2.0	-1.4	-0.6	-0.4	0.3	0.7	1.3	-0.8
- Export volume (%y-o-y)/14	-3.6	-6.3	13.2	3.3	-6.6	-3.8	0.3	-6.7	5.8	2.1	0.2
- Imports (Billion USD): custom basis	202.8	15.5	14.0	16.2	14.8	16.1	16.2	16.2	16.7	16.9	142.5
(%y-o-y)/4	-11.0	-12.4	-16.8	-6.9	-14.9	0.5	-10.1	-7.2	-1.5	5.6	-7.3
- Import price (%y-o-y)/4	-10.8	-8.3	-8.4	-6.5	-5.6	-5.0	-4.3	-3.4	-0.6	1.2	-4.6
- Import volume (%y-o-y) /14	-0.2	-4.5	-9.2	-0.5	-9.9	5.8	-6.1	-3.9	-0.9	4.3	-2.9
- Trade balance (Billion USD): custom basis/4	11.7	0.2	5.0	3.0	0.7	1.5	2.0	0.8	2.1	2.5	17.9
External economic stability											
- Average exchange rate (Baht/USD) /2	34.4	35.8	35.7	35.2	34.9	35.7	35.2	34.9	34.6	34.7	35.2
- Current account (Billion USD)/2	32.1	4.5	8.0	5.4	2.9	1.9	3.1	3.6	3.8	n.a	33.2
- International reserves (Billion USD)/2	156.5	160.1	168.0	175.1	178.6	175.5	178.7	180.2	180.8	180.5	180.5
- Net Forward Position (Billion USD)/2	11.7	9.2	10.2	13.9	14.6	15.6	15.7	16.9	19.1	20.2	22.8
Internal economic stability											
- Unemployment rate (%) /3	0.9	0.9	0.9	1.0	1.0	1.2	1.0	1.0	0.9	0.9	1.0
- Producer Price Index (%yoy)/4	-4.1	-2.3	-3.0	-2.4	-1.7	-1.4	-1.3	-0.8	-0.4	-0.7	-1.6
- Headline inflation (%yoy)/4	-0.9	-0.5	-0.5	-0.5	0.1	0.5	0.4	0.1	0.3	0.4	0.0
- Core inflation (%yoy)/4	1.1	0.6	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7
- Public debt to GDP (%) /1	44.4	44.1	44.1	44.0	44.1	43.4	42.8	42.9	42.6	n.a	42.6

1/ Data from Ministry of Finance

8/ Data from Tourism Authority of Thailand

2/ Data from Bank of Thailand

9/ Data from Federation of Thai Industries

3/ Data from National Statistic Office

10/ Data from Office of Industrial Economics

4/ Data from Ministry of Commerce

11/ Data from Immigration Office

5/ Data from University of Thai Chamber of Commerce

12/ Data from Revenue Department, Excise Department and Customs Department

6/ Data from Office of Agricultural Economics

13/ Data from Department of Land Transport

7/ Data from Reuters

14/ Computed by Fiscal Policy Office

