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Thailand's Economic Projections for 2025 and 2026

“The Thai economy is projected to expand by 2.2 percent in 2025, supported by economic stimulus measures, accelerated public budget disbursement, and better than expected exports. In 2026, growth is expected at 2.0 percent amid challenges from U.S. reciprocal tariff measures, a high export base from the previous year, and expected delay in the FY2027 annual budget process.”

Mr. Vinit Visessuvanapoom, Director General of the Fiscal Policy Office, and Spokesperson of the Ministry of Finance, announced Thailand's economic projections for 2025 and 2026, stating that the Thai economy is at an important juncture between economic recovery and structural economic adjustment, amid a rapidly changing global environment. **“The Thai economy in 2025 is projected to expand by 2.2 percent (within the range of 2.0 to 2.5 percent)**, continuing from the 2.5 percent growth recorded in 2024. Economic activity in the fourth quarter of 2025 is expected to accelerate from the third quarter, which expanded by only 1.2 percent, driven primarily by government stimulus measures aimed at supporting domestic economic activity. Key measures include the “Half-Half Plus” Co-Payment Program, which helped generate over 84 billion baht in spending, supporting economic activity across production, employment, and income distribution to small businesses nationwide, as well as domestic tourism stimulus measures under the “Tiew Dee Mee Kuen” program (a tax deduction program for domestic travel). As a result, private consumption is expected to grow by 3.3 percent (within the range of 3.1 to 3.6 percent). The export sector has performed better than expected, with the export value of goods in USD, based on Balance of Payments (BOP) statistics, projected to expand by 12.7 percent (within the range of 12.5 to 13.0 percent), supported by accelerated exports to the United States and continued growth in new potential markets such as India and China. Meanwhile, the import value of goods in USD is expected to increase by 13.8 percent (within the range of 13.6 to 14.1 percent). Government consumption is projected to grow by 0.5 percent (within the range of 0.3 to 0.8 percent), while government investment is expected to expand by 6.9 percent (within the range of 6.7 to 7.2 percent), reflecting accelerated budget disbursement for fiscal year 2026 during the fourth quarter of calendar year 2025. Private investment is projected to grow by 2.9 percent (within the range of 2.7 to 3.2 percent).

Although economic activity toward the end of the year faced challenges from flooding in the southern region and temporary slowdowns in the industrial sector due to refinery maintenance shutdowns, fiscal policy measures helped sustain economic growth at a higher level than in the third quarter. In this regard, the Office of the National Economic and Social Development Council will announce the official GDP figures on 16 February 2026 at 9:30 a.m.

Regarding Thailand's economic internal stability, the headline inflation rate stood at -0.1 percent, reflecting declining energy prices from both lower electricity prices and fuel prices in line with government

policy, as well as continued easing of global energy prices. In terms of external stability, the current account balance in 2025 is expected to record a surplus of 15.4 billion USD, equivalent to 2.8 percent of GDP.

For 2026, the Ministry of Finance projects the Thai economy to expand by 2.0 percent (within the range of 1.5 to 2.5 percent). Although export momentum is expected to moderate from the previous year, exports are projected to remain resilient, with the export value of goods in USD expected to grow by 1.0 percent (within the range of 0.5 to 1.5 percent). This reflects a deceleration in line with global trade volumes and the high base effect in 2025. Meanwhile, the import value of goods in USD is expected to expand by 3.9 percent (within the range of 3.4 to 4.4 percent). Nevertheless, economic growth is expected to shift toward domestic demand and the services sector. Tourism will serve as a key driver, with foreign tourist arrivals projected to reach a high level of 35.5 million, supporting a strong recovery in the services sector revenue. In addition, private consumption is expected to continue expanding at 2.5 percent (within the range of 2.0 to 3.0 percent), while private investment is projected to grow by 3.2 percent (within the range of 2.7 to 3.7 percent), reflecting the realization of actual investment following investment promotion. Government consumption is expected to expand by 1.3 percent (within the range of 0.8 to 1.8 percent). However, government investment is projected to contract by -1.7 percent (within the range of -2.2 to -1.2 percent), due to transitional political factors that may delay the enactment of the Fiscal Year 2027 Annual Budget Expenditure Act by approximately three months. In this regard, the government should expedite related processes and may consider accelerating budget disbursement measures to mitigate the impact in the period ahead.

Regarding Thailand's economic internal stability, the headline inflation rate is expected to be 0.3 percent per year (within the range of -0.2 to 0.8 percent), in line with strengthening domestic demand. In terms of external stability, the current account balance is expected to record a surplus of 12.0 billion USD, equivalent to 2.0 percent of GDP (within the range of 1.5 to 2.5 percent of GDP).

The Ministry of Finance spokesperson concluded by emphasizing that the Ministry will prioritize maintaining sustainable fiscal stability through enhancing revenue collection efficiency, integrating informal economic activities into the formal system to broaden the tax base, and ensuring efficient and value for money public expenditure management. These efforts aim to preserve adequate fiscal space to cushion against future economic risks and volatility. At the same time, the Ministry recognizes the structural challenges facing the Thai economy, particularly as the existing production model may no longer be sufficient to support future growth. Therefore, it is necessary to accelerate structural transformation through investment in future industries (New S-Curve) and upgrading innovation to better align with global trade supply chains.

However, several factors should continue to be closely monitored for their potential impact on the Thai economy, including: 1) volatility in the global trading system, particularly uncertainty stemming from trade protectionism and global geopolitical tensions, which may exert pressure on exports 2) financial vulnerabilities arising from high household and business (SME) debt levels, which could constrain the recovery of consumption and investment, and 3) policy stability and continuity during the political transition to maintain investor confidence on an ongoing basis.

Major Economic Assumptions and Thailand's Economic Projections for 2025 and 2026

	2024	2025f		2026f	
		Avg	Range	Avg	Range
Projections					
1) GDP Growth Rate (percent y-o-y)	2.5	2.2	2.0 to 2.5	2.0	1.5 to 2.5
2) Real Consumption Growth (percent y-o-y)					
- Real Private Consumption (percent y-o-y)	4.4	3.3	3.1 to 3.6	2.5	2.0 to 3.0
- Real Public Consumption (percent y-o-y)	2.5	0.5	0.3 to 0.8	1.3	0.8 to 1.8
3) Real Investment Growth (percent y-o-y)					
- Real Private Investment (percent y-o-y)	-1.6	2.9	2.7 to 3.2	3.2	2.7 to 3.7
- Real Public Investment (percent y-o-y)	4.8	6.9	6.7 to 7.2	-1.7	-2.2 to -1.2
4) Export Volume of Goods and Services (percent y-o-y)	7.8	9.0	8.8 to 9.3	0.6	0.1 to 1.1
5) Import Volume of Goods and Services (percent y-o-y)	6.3	6.5	6.3 to 6.8	1.1	0.6 to 1.6
6) Trade Balance (USD billion)	21.4	20.9	19.6 to 22.5	12.1	8.9 to 15.3
- Export Value of Goods in USD (percent y-o-y)*	5.9	12.7	12.5 to 13.0	1.0	0.5 to 1.5
- Import Value of Goods in USD (percent y-o-y)*	5.5	13.8	13.6 to 14.1	3.9	3.4 to 4.4
7) Current Account (USD billion)	11.6	15.4	14.0 to 16.8	12.0	9.0 to 15.0
- Percentage of GDP	2.2	2.8	2.6 to 3.1	2.0	1.5 to 2.5
8) Headline Inflation (percent y-o-y)	0.4	-0.1	-	0.3	-0.2 to 0.8
Core Inflation (percent y-o-y)	0.6	0.8	-	0.7	0.2 to 1.2
Major Assumptions					
1) Average Economic Growth Rate of Major Trading Partners (percent y-o-y)	3.4	3.6	3.4 to 3.9	3.1	2.6 to 3.6
2) Dubai Crude Oil Price (U.S. dollar per Barrel)	79.7	68.3	-	57.5	52.5 to 62.5
3) Exchange Rate (Baht per U.S. dollar)	35.3	32.9	-	32.0	31.5 to 32.5
4) Public Expenditure (Trillion Baht)	4.17	4.30	4.29 to 4.31	4.38	4.35 to 4.39
5) Number of foreign tourists (Million)	35.5	32.9	-	35.5	35.0 to 36.0

* Note: Based on the Balance of Payments (BOP) statistical framework
 Calculated by: Fiscal Policy Office, Ministry of Finance

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