



28 July 2016

Monthly Economic Report (June and Q2/2016)

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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 Q2/2016 reflected improving signs from previous quarter particularly domestic expenditures which were supported from economic stimulus measures and accelerated government expenditures. However, external demand as shown by export of goods showed a contraction. Meanwhile, supply-side indicators showed improving signs as manufacturing sector showed a positive expansion and tourism sector reflected by the number of inbound foreign tourists continued to expand." The details were summarized as follows:

Private consumption in Q2/2016 showed improving signs as real VAT collection expanded by 3.7 percent per year as real VAT collection from domestic consumption base and import base expanded by 5.4 and 1.0 percent per year, respectively. Likewise, **imports of consumer goods** expanded by 3.4 percent per year. **Meanwhile, motorcycle sales** expanded by 7.9 percent per year where this well expansion was in Bangkok and other regions due to improvement of consumers' purchasing power from agricultural prices and **farmers' real income** which increased by 2.2 percent per year. However, **Consumer Confidence Index** was down to 61.1 points lower than that of last quarter as consumers were anxious about global economy which affected Thai export.

Private investment in overview remained stable particularly in construction sector as reflected by **real estate tax collection** in Q2/2016 expanded by 11.5 percent per year, whereas **cement sales** contracted by -1.6 percent per year. **Investment in equipment and machinery sector** as reflected by **the imports of capital goods** contracted by -11.6 percent per year and after excluding special items (airplanes, ships, and trains) the imports contracted by -5.1 percent per year.

Fiscal indicators in Q2/2016 (or Q3/FY2016) reflected fiscal policies to continue supporting the Thai economy particularly government expenditures in accelerating investments which showed high expansion. Total government expenditure was disbursed 677.8 billion baht or expanded by 19.0 percent per year. The annual budgetary expenditure was disbursed 638.8 billion baht or expanded by 20.7 percent per year which was supported by capital expenditure of

101.5 billion baht, expanded by 31.7 percent per year. **Net government revenue collection (net of local authorities' allocation)** was amounted at 715.1 billion baht or expanded by 9.6 percent per year. As a result, the budget balance showed the surplus of 69.3 billion baht.

External demand as shown by export of goods in Q2/2016 turned to contract by -4.1 percent per year from previous quarter which expanded by 0.9 percent per year as global economy was fragile and volatile. However, export goods that showed expansion in Q2/2016 comprised rubber, gem and jewelry, radio and television, computer, canned seafood, and vehicles and parts. Meanwhile, export markets that showed expansion comprised the Philippines, U.S.A., and Australia.

Supply side indicators in Q2/2016 improved from manufacturing sector which showed positive expansion and tourism sector as the number of inbound foreign tourists continued to increase. **Manufacturing Production Index (MPI)** in Q2/2016 turned to expand by 1.5 percent per year improving from last quarter which contracted by -0.9 percent per year as automobile production expanded in response to improvements in domestic sales and exports and, similarly, production in air-conditioner and chemical showed expansion. **The number of inbound foreign tourists** in Q2/2016 was recorded at 7.55 million persons expanding by 8.2 percent per year and the expansion was due to tourists mainly from China, CLMV, South Korea, India, Hong Kong, Russia, and U.S.A. Meanwhile, the **Agricultural Production Index (API)** contracted by -1.2 percent per year slower than last quarter which contracted by -5.7 percent per year due to a contraction in paddy and oil palm as drought situation caused farmers to modify to other crops that use less water.

Internal stabilities remained favourable and external stabilities remained robust. In Q2/2016 headline inflation and core inflation were low at 0.3 and 0.8 percent per year, respectively. Meanwhile, **unemployment rate** was low at 1.1 percent of total labor force. **Public debt to GDP** at the end of May 2016 stood at 43.4 percent of GDP below the Fiscal Sustainability Framework of 60 percent of GDP. **External economic stability** remained robust reflecting the resilient ability to risk from the volatilities in global economy as **the international reserves** at the end of Q2/2016 were high at 178.7 billion USD, or approximately 3.4 times of short-term external debt.

See Attachment for more details.

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1. Private consumption showed improving signs as **real VAT collection** in June 2016 expanded by 6.5 percent per year and expanded by 6.8 percent per month after seasonal adjustment. Real VAT collection from domestic consumption base expanded by 8.8 percent per year and real VAT from import base expanded by 2.9 percent per year. Consequently, in Q2/2016 real VAT collection expanded by 3.7 percent per year and expanded by 3.1 percent per quarter after seasonal adjustment. **Motorcycle sales** in June 2016 continued to expand by 5.2 percent per year and expanded by 3.0 percent per month after seasonal adjustment. The motorcycle sales in Bangkok showed an expansion of 5.3 percent per year and in other regions showed expansion of 5.1 percent per year. Consequently, in Q2/2016 motorcycle sales expanded by 7.9 percent per year or expanded by 0.6 percent per quarter after seasonal adjustment and this reflected that consumers' purchasing power improved while **farmers' real income** in June 2016 decreased by -0.2 percent per year and in Q2/2016 farmers' real income expanded by 2.2 percent per year. **Imports of consumer goods** in June 2016 expanded by 3.4 percent per year and expanded by 1.4 percent per month after seasonal adjustment and consequently in Q2/2016 imports of consumer goods expanded by 3.4 percent per year. However, **Consumer Confidence Index** in June 2016 was down to 60.6 reflected an anxiety of Brexit that might affect consumers' confidence on volatilities in capital market, exchange rate market and global economy to Thai exports.

Private Consumption Indicators	2015	2015				2016					
		Q1	Q2	Q3	Q4	Q1	Q2	Apr	May	Jun	YTD
Real Value Added Tax Collection (%yoy)	1.0	1.0	1.7	-0.7	2.1	0.1	3.7	2.9	1.6	6.5	1.9
<i>%qoq_SA / %mom_SA</i>		1.1	-0.6	-1.1	2.6	-0.7	3.1	1.4	-2.2	6.8	
Imports of Consumer Goods (%yoy)	2.2	10.8	2.0	1.5	-4.4	3.6	3.4	-1.4	8.4	3.4	3.5
<i>%qoq_SA / %mom_SA</i>		-1.4	-2.9	-0.3	-0.3	7.4	-3.1	-17.0	4.7	1.4	
Passenger Car Sales (%yoy)	-19.1	-12.5	-27.3	-24.9	-11.7	-26.6	-1.9*	-11.9	8.3	n.a.	-17.4
<i>%qoq_SA / %mom_SA</i>		-2.2	-14.6	-4.8	10.1	-17.5	-	6.3	13.6	-	
Motorcycle Sales (%yoy)	-0.2	10.9	-2.9	-10.6	2.3	-3.3	7.9	2.9	14.8	5.2	2.0
<i>%qoq_SA / %mom_SA</i>		9.7	-12.2	-2.3	8.7	3.1	0.6	-18.2	26.9	3.0	
Farmers' real incomes (calculated by FPO)	-9.3	-4.3	-15.5	-14.9	-5.9	-11.0	2.2	2.1	4.5	-0.2	-5.5

Private Consumption Indicators	2015	2015				2016					
		Q1	Q2	Q3	Q4	Q1	Q2	Apr	May	Jun	YTD
Consumer Confidence Index	64.7	68.4	64.9	61.8	63.6	64.0	61.1	61.5	61.1	60.6	62.3

*As of 2M/Q2

2. Private investment in overview remained stable. Investment in construction as reflected **by real estate tax collection** in June 2016 contracted by -11.5 percent per year but expanded by 32.6 percent per month after seasonal adjustment. In Q2/2016 real estate tax collection expanded by 11.5 percent per year or expanded by 2.2 percent per quarter after seasonal adjustment. In addition, **cement sales** in June 2016 continued to contract by -3.5 percent per year and in Q2/2016 cement sales contracted by -1.6 percent per year and **Construction Materials Price Index (CMI)** in June 2016 showed slower contraction of -2.6 percent per year as price index in concrete products (such as prestressed concrete piles and prestressed concrete) decreased due to lower prices in concrete and steel. **Investment in equipment and machinery** as reflected by **the imports of capital goods** continued to contract by -15.4 percent per year and in Q2/2016 imports of capital goods contracted by -11.6 percent per year. The imports of capital goods excluding special items (airplane, ship, train) contracted by -5.4 percent per year and in Q2/2016 imports of capital goods excluding special items (airplane, ship, train) contracted by -5.1 percent per year.

Private Investment Indicators	2015	2015				2016					
		Q1	Q2	Q3	Q4	Q1	Q2	Apr	May	Jun	YTD
<u>Construction sector</u>											
Real estate tax collection (%yoy)	8.7	7.3	2.9	-0.5	22.2	6.6	11.5	70.8	-22.2	-11.5	9.1
%qoq_SA / %mom_SA		-1.8	-2.9	2.2	24.0	-13.2	2.2	54.4	-60.5	32.6	
Cement sales (%yoy)	-0.4	-2.5	-0.2	-0.7	2.1	3.1	-1.6	0.1	-1.1	-3.5	0.8
%qoq_SA / %mom_SA		0.3	1.8	-1.4	1.3	1.4	-3.0	-4.2	0.2	-1.1	
Construction Materials Price Index (CMI)	-4.9	-3.7	-4.4	-5.7	-6.6	-5.1	-2.2	-2.6	-1.5	-2.6	-3.7
<u>Machinery sector</u>											
Commercial car sales (%yoy)	-2.6	-11.3	-17.3	-0.3	17.2	4.0	19.5*	12.1	26.5	n.a.	9.4
%qoq_SA / %mom_SA		-5.2	-6.4	15.6	13.3	-10.7	-	-8.1	13.8	-	
Imports of capital goods (%yoy)	-2.2	0.9	2.0	-10.8	0.2	-1.0	-11.6	-13.4	-5.4	-15.4	-6.4
%qoq_SA / %mom_SA		0.3	1.2	-6.1	5.0	-0.6	-9.6	-8.5	0.9	-1.9	
Imports of capital goods (exclude aircraft, ship, and train) (%yoy)	-1.4	0.1	-3.6	-2.3	0.1	0.0	-5.1	-7.2	-2.5	-5.4	-2.5
%qoq_SA / %mom_SA		-1.0	0.1	0.8	2.0	-1.1	-5.9	-7.6	0.6	2.0	

*As of 2M/Q2

3. Fiscal indicators reflected fiscal policies to continue supporting the Thai economy as capital expenditures expanded continually. Total government expenditure in June 2016 was disbursed 264.8 billion baht or expanded by 31.5 percent per year. The annual budgetary expenditure was disbursed 250.8 billion baht or expanded by 34.4 percent per year which was supported by capital expenditure of 39.4 billion baht or expanded by 31.9 percent per year. In Q2/2016 (Q3/FY2016) total government expenditure was disbursed 677.8 billion baht or expanded by 19.0 percent per year. The annual budgetary expenditure was disbursed 638.8 billion baht or expanded by 20.7 percent per year which was supported by capital expenditure of 101.5 billion baht or expanded by 31.7 percent per year. **Net government revenue collection (net of local authorities' allocation)** was amounted at 236.1 billion baht or contracted by -8.1 percent per year. In Q2/2016 (Q3/FY2016) net government revenue collection (net of local authorities' allocation) was amounted at 715.1 billion baht or expanded by 9.6 percent per year. As a result, the budget balance in June 2016 showed the surplus of 74.2 billion baht and the budget balance in Q2/2016 (Q3/FY2016) showed the surplus of 69.3 billion baht.

Fiscal Sector Indicators (Billion Baht)	FY2015	FY2015				FY 2016						
		Q1/ FY15	Q2/ FY15	Q3/ FY15	Q4/ FY15	Q1/ FY16	Q2/ FY16	Q3/ FY16	Apr	May	Jun	FYTD
Net Government Revenue (net of local authorities' allocation)	2,207.5	507.5	469.9	652.5	577.5	586.1	492.6	715.1	170.4	308.6	236.1	1,793.6
(%y-o-y)	6.4	0.8	7.5	7.2	9.9	15.5	4.8	9.6	-0.4	37.5	-8.1	10.0
Total government expenditure	2,601.4	844.1	617.6	569.6	570.1	890.9	680.0	677.8	223.6	189.4	264.8	2,248.7
(%y-o-y)	5.7	1.6	11.7	10.7	1.6	5.5	10.1	19.0	16.8	7.1	31.5	10.7
Annual budgetary expenditure	2,378.1	766.4	557.7	529.4	524.6	807.7	604.2	638.8	211.5	176.5	250.8	2,050.6
(%y-o-y)	5.9	0.7	15.6	11.1	-0.3	5.4	8.3	20.7	18.2	7.6	34.4	10.6
Current expenditure	2,106.6	725.1	481.0	452.3	448.1	739.6	509.0	537.2	186.3	139.6	211.4	1,785.9
(%y-o-y)	7.4	12.5	7.3	8.1	-0.7	2.0	5.8	18.8	19.3	0.0	34.9	7.7
Capital expenditure	271.6	41.3	76.7	77.1	76.4	68.1	95.1	101.5	25.2	36.9	39.4	264.7
(%y-o-y)	-4.4	-64.6	123.2	32.4	2.1	64.9	24.0	31.7	10.6	51.0	31.9	51.9
Expenditure (last year)	223.3	77.7	59.9	40.1	45.5	83.2	75.8	39.0	12.1	12.9	14.0	198.0
Budget Balance	-394.4	-347.3	-138.9	89.4	2.3	-306.9	-203.9	69.3	-56.1	51.1	74.2	-441.5

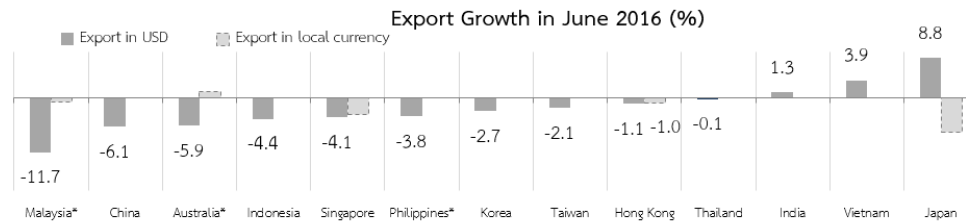
4. External demand as shown by export of goods showed a contraction for 3 months consecutively. In June 2106, export values were amounted at 18.1 billion USD or contracted by -0.1 percent per year. Export goods showing contraction in June 2016 comprised fuel, radio and television, plastic beads and plastic products, rubber, and gem and jewelry (excluding gold) as global economy was fragile and agricultural and fuel prices remained low. However, export

goods in manufacturing sector showed first expansion in 3 months particularly vehicles and parts expanded for 2 months consecutively due to the exports to Australia, Middle East, and China. In Q2/2016 export values were amounted at 51.3 billion USD or contracted by -4.1 percent per year. **Import values** in June 2016 were amounted at 16.2 billion USD or contracted by -10.1 percent per year. In Q2/2016 import values were amounted at 47.1 billion USD or contracted by -8.4 percent per year. As such the greater export values compared to that of imports resulted in the trade surplus in June 2016 of 2.0 billion USD and consequently the trade surplus in Q2/2016 of 12.4 billion USD.

Main trading partners (16 countries) (Export share 2014 >> 15)	2015	2015				2016				
		Q1	Q2	Q3	Q4	Q1	Q2	May	Jun	YTD
Exports to the world (%yoy)	-5.8	-4.7	-5.0	-5.3	-8.1	0.9	-4.1	-4.4	-0.1	-1.6
1.USA (10.5% >> 11.2%)	0.7	5.6	2.6	0.2	-4.9	-3.2	0.6	3.4	4.7	-1.3
2.China (11.0% >> 11.1%)	-5.4	-14.4	1.2	-1.0	-6.3	-6.4	-10.3	-12.7	-11.9	-8.4
3.Japan (9.6% >> 9.4%)	-7.7	-9.2	-3.9	-8.2	-9.6	5.7	-7.5	-8.6	-3.8	-0.9
4.EU (9.2% >> 9.3%)	-5.7	-3.9	-8.4	-4.4	-5.9	-0.5	-1.0	-2.7	0.9	-0.8
5.Malaysia (5.6% >> 4.8%)	-20.2	-14.7	-18.3	-18.7	-28.5	-4.1	-12.9	-16.1	-12.8	-8.5
6.Hong Kong (5.6% >> 5.5%)	-6.2	-11.5	-9.0	-2.0	-1.9	0.6	-8.2	-14.9	2.2	-3.7
7.Middle East (5.1% >> 4.8%)	-10.0	-6.4	-23.7	-6.4	-3.0	-9.5	-2.5	4.2	-0.9	-6.4
8.Australia (4.8% >> 5.3%)	5.3	10.1	7.6	8.4	-3.5	5.5	12.4	7.0	56.0	8.9
9.Singapore (4.6% >> 4.1%)	-16.2	-5.4	0.3	-26.1	-31.0	22.5	-35.7	-26.3	-49.7	-10.9
10.Indonesia (4.2% >> 3.7%)	-17.6	-15.4	-20.6	-21.0	-12.7	8.9	-7.3	-10.6	-16.6	0.8
11.Africa (3.7% >> 3.2%)	-20.2	-14.5	-15.9	-22.1	-27.9	-11.7	-9.8	-6.1	1.4	-10.8
12.Vietnam (3.5% >> 4.2%)	13.0	17.7	16.7	8.3	10.9	3.1	-0.1	5.1	-6.8	1.4
13.Philippines (2.6% >> 2.8%)	2.1	7.4	-3.4	-6.4	10.8	15.4	13.5	2.6	21.5	14.5
14.India (2.5% >> 2.5%)	-5.7	6.1	-4.8	-11.5	-11.8	-9.1	-2.4	0.0	-0.1	-5.8
15.South Korea (2.0% >> 1.9%)	-9.2	0.6	-16.4	-10.7	-8.6	-9.7	-8.3	-7.1	-4.3	-9.0
16.Taiwan (1.8% >> 1.6%)	-12.0	4.7	-11.5	-15.3	-23.1	-18.1	-1.1	-1.8	1.2	-9.9
PS.ASEAN-9 (26.1% >> 25.7%)	-7.2	-2.5	-5.9	-10.6	-9.3	3.9	-10.4	-8.8	-16.9	-3.5
PS.ASEAN-5 (17.0% >> 15.3%)	-15.1	-9.5	-11.8	-19.5	-19.1	9.1	-38.0	-14.7	-23.0	-3.3
PS.CLMV (9.1% >> 10.4%)	7.7	10.5	5.5	7.2	7.9	-4.0	-3.5	1.0	-6.8	-3.8

However, to compare the Thai export values with that of other countries in region, it was found that export values of other countries contracted as well. In addition, to compare with the first 6 months of 2016, Thai export values contracted by -1.6 percent per year which was less than that of other countries in region.

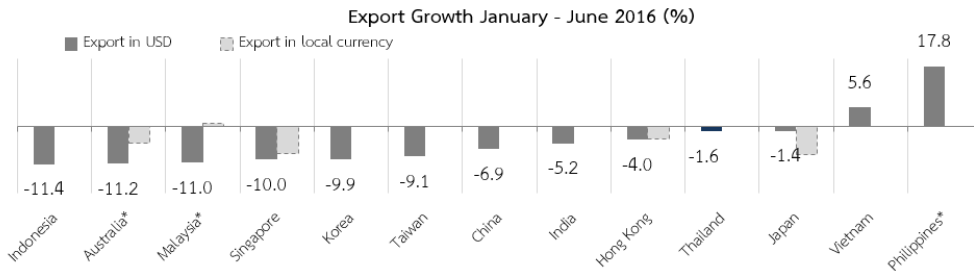
Comparison of Exports Values of Goods: June 2016



* as of May 2016

Note: The Official figures of Australia, Singapore, Malaysia, Hong Kong and Japan export are in local currency.

Comparison of Exports Values of Goods : YTD



* YTD Jan - May 2016

Note: The Official figures of Australia, Singapore, Malaysia, Hong Kong and Japan export are in local currency.

5. Supply side indicators improved as manufacturing sector showed positive expansion and the number of inbound foreign tourists expanded continually. **The Manufacturing Production Index (MPI)** in June 2016 was 108.9 points or expanded by 0.8 percent per year due to an expansion in production in air-conditioner, vehicles and chemical products. In Q2/2016 MPI expanded by 1.5 percent per year or expanded by 0.5 percent per quarter after seasonal adjustment as automobile production expanded in response to improvements in domestic sales and exports and the expansion in air-conditioner and chemical products. **The number of inbound foreign tourists** in June 2016 was recorded at 2.43 million persons or expanded by 7.2 percent per year or decreased by -1.8 percent per month after seasonal adjustment due to early coming of Ramadan compared to last year which caused the travel of Muslim people to decelerate. However, foreign tourists expansion were from China, CLMV, South Korea, India, Hong Kong, Russia, and U.S.A. As a result in Q2/2016 the number of inbound foreign tourists was recorded at 7.55 million persons or expanded by 8.2 percent per year and expanded by 0.5 percent per month after seasonal adjustment. Meanwhile, the **Agricultural Production Index (API)** in June 2016 turned to decrease by -2.0 percent per due to a contraction in major agricultural products such as paddy, rubber, oil palm, and fruits. Livestock products showed a continued expansion due to no epidemic dispersion and demand increasing. In Q2/2016 the API contracted by -1.2 percent per year due to a contraction in paddy and oil palm as drought situation caused farmers to modify to other crops that use less water. In addition, **Thai Industries Sentiment Index (TISI)** in June 2016 was down to 85.3 points due to an anxiety in domestic economy that remained fragile and volatilities in global economy after Brexit.

Macroeconomic Stability Indicators	2015	2015				2016					
		Q1	Q2	Q3	Q4	Q1	Q2	Apr	May	Jun	YTD
Current Account Balance (Billion USD)	31.6	8.4	6.1	6.9	10.2	16.6	5.4*	3.2	2.2	-	22.0
International Reserves (Billion USD)	156.5	156.3	160.3	155.5	156.5	175.1	175.5	178.6	175.5	178.7	178.7
Net Forward (Billion USD)	11.7	19.6	18.4	13.3	11.7	13.9	15.6	14.6	15.6	15.7	15.7
International reserves to short term external debt (times)	3.0	3.0	2.9	2.9	3.1	3.2	3.4*	3.4	3.4	n.a.	3.4

*As of 2M/Q2

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 July 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 for 61,328 funds worth 30,592 million baht and already transferred 22,944 million baht.

2. Project to enhance villages' potential and strengthen grass-root economy under People's State approach. The objective of this project is to support funding to village funds in which each village would be funded up to 200,000 within the budget framework of 15,000 million baht. The cabinet approved in principle of the project on 5 April 2016 where the Interior Ministry is the main authority to operate the project. There were 85,443 approved projects which transferred to villages worth 14,907 million baht and disbursed 11,001 million baht (as of 21 July 2016).

3. Relief measures for drought-affected farmers and agricultural competitiveness enhancement.

3.1 Relief measure for drought-affected farmers: implementation of policy loan as contingency fund (The credit line of 6,000 million baht). Loan period is for 1 year with 0 percent interest rate for the first six

months, and increase to 4 percent for the remaining six months (Month 7-12). As of 20 July 2016, approved loans were amounted to 1,922 million baht to 162,565 farmers.

3.2 "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 20 July 2016, loans were disbursed at 10,046 million baht to 7,868 agricultural SMEs.

3.3 Community Project for modal change of production (The credit line of 15,000 million baht). Loan period is for 1 year with the interest rate of 0.01 percent. As of 20 July 2016, approved loans were amounted to 12.8 million baht to 219 loan applicants.

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

4.1 Project of loan guarantee for PGS-5 (revised) (Credit 30 percent per port would be guaranteed by the Thai Credit Guarantee Corporation (TCG) with the limit of 100,000 million baht). TCG guaranteed loans of 82,251 million Baht to 20,901 SMEs entrepreneurs.

4.2 Measure to encourage SMEs through Venture Capital (The budget of 6,000 million baht). The Government Savings Bank approved venture capital to 3 SMEs entrepreneurs worth 70 million baht and SME Bank approved in principle for venture capital to 7 SME entrepreneurs worth 92 million baht.

4.3 Project of Policy Loan (The credit line of 15,000 million baht). As of current status, SME Bank approved loan worth 11,842 million baht to 3,861 SMEs and the Thai Credit Guarantee Corporation (TCG) guaranteed loans worth 10,759 million baht to 3,769 SMEs.

4.4 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 with an application period until 30th of December 2017. The Thai Credit Guarantee Corporation (TCG) guaranteed an amount of 597 million baht for 5,312 Micro Entrepreneurs.

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 16,035 applicants worth 22,211 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 showed that the Government Housing Bank approved loans as Post Finance to 4,776 loan applicants worth 4,195 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 2,653 loan applicants worth 3,163 million baht.

Table 1: Monthly Economic Indicators

	2015	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD
External sector																				
- Dubai crude oil price (US\$/barrel) /7	51.0	45.7	55.9	54.8	58.6	63.6	61.9	56.2	48.0	45.7	45.8	41.8	34.6	26.7	29.4	35.2	39.0	44.3	46.3	36.8
- Fed funds rate (%) /7	0.25-0.50	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	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	160.6	149.6	159.7	171.1	224.4	257.0	142.4	226.5	214.5	166.0	181.2	238.9	158.3	149.1	185.2	170.4	308.7	236.1	1207.7
(%y-o-y) /1	7.3	2.9	0.4	20.9	25.5	-19.5	32.9	9.9	10.5	12.4	-4.4	12.1	38.8	-1.5	-0.4	16.0	-0.4	37.5	-8.1	7.6
- Tax collection from revenue, customs and excise dept. /12	2133.2	176.0	158.4	176.6	167.0	234.3	275.0	154.6	227.8	232.1	158.8	173.0	184.7	178.5	163.5	183.1	180.2	267.9	251.5	1224.7
(%y-o-y) /14	3.7	7.2	1.6	11.5	8.8	-19.8	26.2	4.2	6.8	-1.4	7.1	12.3	14	3.3	3.7	7.9	14.3	-8.5	3.2	
- Income-based tax (Billion baht) /1	818.2	57.9	45.2	56.5	51.4	101.0	123.0	46.7	112.8	122.3	47.2	54.2	56.1	60.8	46.9	59.1	54.8	116.2	130.3	468.1
(%y-o-y) /1	3.3	13.7	-1.2	13.5	11.4	-18.5	20.6	7.7	9.6	-4.1	5.8	-1.5	7.6	5.1	3.8	4.6	6.5	15.0	6.0	7.6
- Consumption-based tax (Billion baht) /1	648.0	63.0	54.7	61.0	60.8	56.5	57.5	58.0	59.3	58.0	59.3	62.2	62.1	55.8	62.3	57.2	63.3	360.2		
(%y-o-y) /1	-0.7	-2.6	-2.7	6.6	1.3	-3.8	4.0	-3.3	-4.1	0.5	-5.3	2.2	5.6	-1.4	1.9	-2.4	2.5	1.1	6.0	1.2
- Government expenditure (Billion baht) /1	2364.4	215.7	150.4	251.5	191.5	176.8	201.3	221.9	148.3	200.0	374.2	232.9	283.8	259.9	160.6	259.5	223.6	189.4	264.8	1357.7
(%y-o-y) /1	7.4	1.2	-13.7	52.0	-2.2	14.6	22.3	10.8	12.2	-12.6	1.8	13.2	4.8	20.5	6.8	3.2	16.8	7.1	31.5	14.4
- Budget expenditure (Billion baht) /1	2180.3	197.9	131.4	228.4	178.9	164.0	186.5	208.7	138.9	177.0	359.6	209.0	239.1	241.0	138.6	224.6	211.5	176.5	250.8	1245.0
(%y-o-y) /1	8.4	6.2	-14.7	60.8	-0.5	15.1	20.8	10.2	11.4	-16.6	4.3	15.7	-0.8	21.8	5.5	-1.7	18.2	7.6	34.4	14.3
- Current expenditure (Billion baht) /1	1915.0	181.1	109.7	190.2	156.1	139.5	156.7	186.1	116.7	145.4	336.1	197.5	206.0	220.8	108.9	179.4	186.3	139.6	211.4	1046.3
(%y-o-y) /1	5.2	2.0	-22.7	47.8	-0.5	10.9	15.4	9.4	8.9	-16.5	1.8	14.9	-7.7	22.0	-0.8	-5.7	19.3	0.0	34.9	12.1
- Capital expenditure (Billion baht) /1	265.3	16.8	21.8	38.2	22.8	24.4	29.9	22.7	22.2	31.6	23.5	11.5	33.1	20.1	29.8	45.2	25.2	36.9	39.4	196.7
(%y-o-y) /1	38.8	89.0	78.5	186.7	-0.5	47.2	59.6	17.2	27.2	-17.1	58.7	31.0	87.0	19.6	36.9	18.5	10.6	51.0	31.9	27.8
- Carryover budget (Billion baht) /1	184.1	17.8	19.0	23.1	12.5	12.8	14.8	13.2	9.3	23.0	14.6	24.0	44.7	18.9	22.0	34.9	12.1	12.9	14.0	114.8
(%y-o-y) /1	-3.8	-33.4	-6.4	-1.4	-21.8	8.1	46.1	22.0	25.5	37.9	-36.0	-4.5	49.8	6.2	15.7	51.1	-3.4	0.8	-5.5	14.7
- Budgetary Balance (Billion baht) /1	-326.4	-53.6	-7.6	-77.8	-42.1	-14.0	145.6	-80.9	17.2	58.1	-217.9	-54.5	-34.5	-108.0	-18.9	-76.9	-56.1	51.1	74.2	-134.6
Supply-side indicators																				
Agricultural sector																				
- Agricultural Production Index (%y-o-y) /6	-4.3	4.6	3.5	-1.6	-13.4	-13.0	-8.2	-10.2	-11.5	-12.8	1.3	-16.3	21.1	-2.7	4.8	-10.3	-1.8	0.1	-2.0	-3.8
- Agricultural Price Index (%y-o-y) /6	-5.9	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	-11.2	6.4	3.8	-0.3
- Real farm income (%y-o-y) /14	-9.7	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	-9.6	4.5	-0.2	-5.5
- New employment in agricultural sector (%y-o-y) /3	-3.6	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-4.1	-10.1	-19	-3.6
Industrial sector																				
- Manufacturing Production Index (%y-o-y) /10	0.3	0.7	1.7	-1.0	-0.1	-0.1	-0.6	2.6	0.5	-0.3	-0.8	0.3	1.4	-3.5	-1.7	2.2	0.9	2.7	0.8	0.2
- Import value of raw materials in USD (%y-o-y) /1	-6.3	-4.4	12.7	10.2	-4.8	-14.5	-0.9	0.9	-1.1	-28.1	-21.3	-10.1	-2.7	-15.3	-20.9	-11.5	-9.4	2.4	-0.7	-9.4
- Import volume of raw materials in USD (%y-o-y) /1	-8.9	-2.0	16.7	15.4	-0.4	-10.9	3.3	6.1	4.5	-24.0	-17.0	-5.2	3.3	-10.6	-17.8	-9.5	-7.7	3.5	-0.1	-7.2
- Capacity utilization (%) /10	64.7	68.8	68.3	72.2	59.2	65.5	66.1	66.4	63.7	65.9	64.9	64.8	64.0	65.1	66.9	74.3	59.5	67.5	66.3	66.6
- New employment in industrial sector (%y-o-y) /3	0.7	5.1	1.2	-0.3	3.5	0.9	3.2	2.9	0.7	-2.2	0.2	-1.7	-5.8	0.3	2.3	-2.5	2.3	3.5	-3.8	0.0
- Thai Industrial Sentiment Index (Index) /9	85.8	91.1	88.9	87.7	86.2	85.4	84.0	83.0	82.4	82.8	84.7	85.8	87.5	86.3	85.1	86.7	85.0	86.4	85.3	85.8
Service sector																				
- No. of foreign tourists (Million persons) /11	29.9	2.6	2.7	2.6	2.4	2.3	2.3	2.7	2.6	2.0	2.2	2.5	3.0	3.0	3.1	3.0	2.6	2.5	2.4	16.6
(%y-o-y) /14	20.4	14.4	28.3	26.6	24.4	37.8	52.2	39.4	24.7	8.7	1.0	5.1	4.7	15.0	16.0	15.4	9.8	7.6	7.2	12.0
- New employment in service sector (%y-o-y) /3	2.0	-2.3	3.4	1.4	1.8	3.7	2.2	2.7	1.2	2.7	2.1	1.9	3.6	3.5	-0.6	3.6	1.4	0.4	3.3	1.9
Demand-side indicators																				
Private consumption indicators																				
- Value added tax at constant price (%y-o-y) /1	1.0	-2.0	-2.1	7.3	2.5	-2.5	5.3	-1.8	-2.4	2.1	-3.9	3.6	6.9	-0.6	3.0	-1.6	2.9	1.6	6.5	1.9
- Import volume of consumer goods in USD (%y-o-y) /1	2.2	-0.2	32.5	5.2	1.0	-1.4	6.5	1.4	10.4	-5.8	-7.4	5.3	-11.0	-2.9	4.2	18.5	-1.4	8.4	3.4	3.5
- Sales of passenger cars (%y-o-y) /14	-19.1	-11.4	-12.5	-13.4	-24.7	-21.1	-35.4	-25.1	-24.0	-25.5	-19.5	-12.0	-5.2	-30.0	-29.9	-21.2	-11.9	8.3	na.	-17.4
- Sales of motorcycles (%y-o-y) /13	-0.2	14.5	0.7	18.1	-18.4	-5.4	12.5	-23.2	-6.4	-0.7	-6.5	6.9	7.8	12.9	-11.1	-9.4	2.9	14.8	5.2	2.0
- Consumer Confidence Index (Index) /5	64.7	69.7	68.4	67.1	66.0	65.0	63.8	62.6	61.5	61.2	62.2	63.4	65.1	64.4	63.5	62.4	61.5	61.1	60.6	62.3
Private investment indicators																				
- Import volume of capital goods in USD (%y-o-y) /1	-2.2	3.4	5.9	-6.9	5.5	-5.5	6.0	-22.1	17.9	-20.6	5.4	0.5	-5.5	2.9	-11.6	6.5	-13.4	-5.4	-15.4	-6.4
- Sales of commercial cars (%y-o-y) /14	-2.6	-13.7	-9.6	-10.6	-27.3	-19.7	-4.5	-3.1	0.9	1.2	7.2	15.7	26.3	-2.4	1.9	11.2	12.1	26.5	na.	9.4
- Total taxes collected from real estate transaction (%y-o-y) /1	8.7	12.1	2.6	7.3	14.6	-11.5	7.7	7.2	8.4	-12.6	-7.7	25.8	40.1	-6.9	7.1	16.5	70.8	-22.2	-11.5	9.1
- Domestic cement sales (%y-o-y) /2	-0.4	-5.8	-2.4	0.6	-3.3	-0.5	3.1	-2.0	-0.6	0.4	-0.3	2.6	4.1	-0.3	6.0	3.4	0.1	-1.1	-3.5	0.8
International trade indicators																				
- Exports (Billion USD): custom basis	214.4	17.2	17.2	18.9	16.9	18.4	18.2	18.2	17.7	18.8	18.6	17.2	17.1	15.7	19.0	19.1	15.5	17.6	18.1	105.1
(%y-o-y) /4	-5.8	-3.5	-6.2	4.5	-1.7	-5.0	-7.9	-3.6	-6.7	-5.5	-8.1	-7.4	-8.7	-8.9	10.3	1.3	-8.0	4.4	-0.1	-1.6
- Export price (%y-o-y) /4	-2.3	-1.7	-1.6	-1.9	-1.7	-1.7	-1.7	-2.5	-3.1	-3.1	-2.7	-2.6	-2.7	-2.8	-2.6	-2.0	-1.4	-0.6	-0.4	-1.6
- Export volume (%y-o-y) /14	-3.6	-1.8	-4.6	-2.4	0.2	-3.4	-6.3	-1.1	-3.7	-2.4	-5.5	-5.0	-6.2	-6.3	13.2	3.3	-6.6	-3.8	0.3	0.1
- Imports (Billion USD): custom basis	202.8	17.7	16.8	17.4	17.4	16.0	18.0	17.5	16.9	16.0	16.5	16.9	15.6	15.5	14.0	16.2	14.8	16.1	16.2	92.7
(%y-o-y) /4	-11.0	-13.6	1.5	-6.0	-6.8	-20.0	-0.3	-12.7	-4.8	-26.2	-18.2	-9.5	-9.2	-12.4	-16.8	-6.9	-14.9	0.5	-10.1	-10.3
- Import price (%y-o-y) /4	-10.8	-10.8	-10.7	-11.2	-10.2	-9.5	-9.5	-10.4	-12.1	-12.6	-11.5	-11.0	-10.5	-8.3	-8.4	-6.5	-5.6	-5.0	4.3	-6.3

Table 2: Quarterly Economic Indicators

	2014	2015	2015				2016		
			Q1	Q2	Q3	Q4	Q1	Q2	YTD
External sector									
- Dubai crude oil price (US\$/Barrel) /7	96.6	51.0	52.1	61.4	49.9	40.7	30.4	43.2	36.8
- Fed funds rate (%) /7	0-0.25	0.25-0.50	0-0.25	0-0.25	0-0.25	0.25-0.50	0.25-0.50	0.25-0.50	0.25-0.50
Fiscal sector									
- Net government revenue (Billion baht) /1	1,908.2	2,045.3	469.9	652.5	583.5	581.3	492.6	715.1	1,207.7
(%y-o-y) /1	-11.5	7.3	7.5	7.3	10.9	14.6	4.8	9.6	7.6
- Tax collection from revenue, customs and excise dept. /12	2,050.7	2,133.2	511.0	676.3	614.5	515.6	525.1	699.6	1,224.7
(%y-o-y) /14	-10.9	3.7	7.3	2.3	3.2	6.9	2.8	3.5	3.2
- Income-based tax (Billion baht) /1	792.1	818.2	159.6	275.4	281.9	157.2	166.8	301.3	468.1
(%y-o-y) /1	-11.9	3.3	9.0	1.2	2.9	3.6	4.6	9.4	7.6
- Consumption-based tax (Billion baht) /1	652.8	648.0	178.7	177.1	174.9	179.4	177.4	182.8	360.2
(%y-o-y) /1	-6.5	-0.7	0.3	0.5	-2.3	0.7	-0.7	3.2	1.2
- Government expenditure (Billion baht) /1	2,473.0	2,364.4	617.6	569.6	570.1	890.9	680.0	677.8	1,357.7
(%y-o-y) /1	1.0	7.4	11.7	10.7	1.6	5.5	10.1	19.0	14.4
- Budget expenditure (Billion baht) /1	2,251.9	2,180.3	557.7	529.4	524.6	807.7	604.2	638.8	1,243.0
(%y-o-y) /1	0.9	8.4	15.6	11.1	-0.3	5.4	8.3	20.7	14.3
- Current expenditure (Billion baht) /1	2,043.1	1,915.0	481.0	452.3	448.1	739.6	509.1	537.3	1,046.3
(%y-o-y) /1	7.7	5.2	7.3	8.1	-0.7	2.0	5.8	18.8	12.1
- Capital expenditure (Billion baht) /1	208.8	265.3	76.7	77.1	76.4	68.1	95.1	101.5	196.7
(%y-o-y) /1	-37.6	38.8	123.1	32.4	2.1	65.0	24.0	31.7	27.8
- Carry-over budget (Billion baht) /1	221.2	184.1	59.9	40.1	45.5	83.3	75.8	39.0	114.8
(%y-o-y) /1	2.8	-3.8	-15.0	5.6	30.3	7.1	26.5	-2.8	14.7
- Budgetary Balance (Billion baht) /1	-397.0	-326.4	-138.9	89.4	-5.5	-306.9	-203.9	69.3	-134.6
Supply-side indicators									
Agricultural sector									
- Agricultural Production Index (%y-o-y) /6	-0.4	-4.3	2.3	-11.6	-11.6	-0.2	-5.7	-1.2	-3.8
- Agricultural Price Index (%y-o-y) /6	-6.2	-5.9	-6.9	-5.7	-4.9	-6.2	-5.4	4.9	-0.3
- Real farm income (%y-o-y) /14	-8.4	-9.7	-4.3	-15.5	-14.9	-5.9	-11.0	2.2	-5.5
- New employment in agricultural sector(%y-o-y) /3	-3.6	-3.6	-4.1	-5.6	-3.9	-0.8	-2.8	-6.2	-3.6
Industrial sector									
- Manufacturing Production Index (%y-o-y) /10	-5.2	0.3	0.4	-0.3	0.9	0.3	-0.9	1.5	0.2
- Import value of raw materials in USD (%y-o-y) /1	-10.6	-6.3	5.7	-7.0	-10.7	-11.9	-15.7	-2.7	-9.4
- Import volume of raw materials in USD (%y-o-y) /1	-8.9	-8.9	9.5	-3.0	-5.8	-6.8	-12.5	-1.5	-7.2
- Capacity utilization (%) /10	65.1	64.7	69.8	63.6	65.3	64.4	68.8	64.5	66.6
- New employment in industrial sector(%y-o-y) /3	0.3	0.7	1.9	2.5	0.4	-2.1	0.0	0.7	0.0
- Thai Industrial Sentiment Index (Index) /9	87.4	85.8	89.2	85.2	82.7	86.0	86.0	85.6	85.8
Service sector									
- No. of foreign tourists (Million persons) /11	24.8	29.9	7.8	7.0	7.3	7.8	9.0	7.6	16.6
(%y-o-y)/14	-6.5	20.4	22.8	36.9	24.9	3.7	15.5	8.2	12.0
- New employment in service sector(%y-o-y) /3	1.6	2.0	0.8	2.6	2.2	2.5	2.2	1.7	1.9
Demand-side indicators									
Private consumption indicators									
- Value added tax at constant price (%y-o-y) /1	0.4	1.0	1.0	1.7	-0.7	2.1	0.1	3.7	1.9
- Import volume of consumer goods in USD (%y-o-y) /1	1.5	2.2	10.8	2.0	1.5	-4.4	3.6	3.4	3.5
- Sales of passenger cars (%y-o-y)/14	-41.4	-19.1	-12.5	-27.3	-24.9	-11.7	-26.6	n.a.	-17.4
- Sales of motorcycles (%y-o-y)/13	-14.3	-0.2	10.9	-2.9	-10.6	2.3	-3.3	7.9	2.0
- Consumer Confidence Index (Index) /5	65.0	64.7	68.4	64.9	61.8	63.6	63.4	61.1	62.3
Private investment indicators									
- Import volume of capital goods in USD (%y-o-y) /1	-7.6	-2.2	0.9	2.0	-10.8	0.2	-1.0	-11.6	-6.4
- Sales of commercial cars (%y-o-y)/14	-26.8	-2.6	-11.3	-17.3	-0.3	17.2	4.0	n.a.	9.4
- Total taxes collected from real estate transaction (%y-o-y) /1	-2.8	8.7	7.3	2.9	-0.5	22.2	6.6	11.5	9.1
- Domestic cement sales (%y-o-y) /2	-3.2	-0.4	-2.5	-0.2	-0.7	2.1	3.1	-1.6	0.8
International trade indicators									
- Exports (Billion USD): custom basis	227.6	214.4	53.4	53.5	54.7	52.8	53.8	51.3	105.1
(%y-o-y)/4	-0.4	-5.8	-4.7	-5.0	-5.3	-8.1	0.9	-4.1	-1.6
- Export price (%y-o-y)/4	-1.0	-2.3	-1.8	-1.8	-2.9	-2.7	-2.4	-0.8	-1.6
- Export volume (%y-o-y)/14	0.6	-3.6	-3.0	-3.3	-2.4	-5.6	3.4	-3.3	0.1
- Imports (Billion USD): custom basis	227.7	202.8	51.9	51.4	50.4	48.9	45.6	47.1	92.7
(%y-o-y)/4	-9.0	-11.0	-6.6	-9.4	-15.3	-12.6	-12.0	-8.4	-10.3
- Import price (%y-o-y)/4	-1.8	-10.8	-10.9	-9.7	-11.7	-11.0	-7.7	-5.0	-6.3
- Import volume (%y-o-y) /14	-7.3	-0.2	4.8	0.4	-4.1	-1.7	-4.7	-3.7	-4.2
- Trade balance (Billion USD): custom basis/4	-0.4	11.7	1.5	2.1	4.3	3.9	8.2	4.2	12.4
External economic stability									
- Average exchange rate (Baht/USD) /2	33.0	34.4	32.5	33.5	35.8	35.9	35.6	35.3	35.4
- Current account (Billion USD)/2	15.4	34.8	8.4	6.1	6.8	10.6	16.6	n.a.	22.0
- International reserves (Billion USD)/2	157.1	156.5	156.3	160.3	155.5	156.5	175.1	178.7	178.7
- Net Forward Position (Billion USD)/2	23.1	11.7	19.6	18.4	13.3	11.7	13.9	15.7	15.7
Internal economic stability									
- Unemployment rate (%) /3	0.8	0.9	1.0	0.9	0.9	0.8	0.9	1.1	1.0
- Producer Price Index (%yoy)/4	0.1	-4.1	-5.1	-4.6	-3.7	-2.9	-2.0	-1.5	-2.0
- Headline inflation (%yoy)/4	1.9	-0.9	-0.5	-1.1	-1.1	-0.9	-0.5	0.3	-0.1
- Core inflation (%yoy)/4	1.6	1.1	1.5	-1.0	0.9	0.8	0.7	0.8	0.7
- Public debt to GDP (%) /1	42.8	44.4	43.3	42.4	43.3	44.4	44.1	n.a.	43.4

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,

6/Data from Office of Agricultural Economics

Excise Department and Customs Department

7/Data from Reuters

13/ Data from Department of Land Transport

* Preliminary

14/ Computed by Fiscal Policy Office