



Number 21/2021

29 May 2021

Monthly Economic Report (As of April 2021)

“The Thai economy in April 2021 showed an increase from the same period of previous year due to an expansion of the exports. However, the impact of the new coronavirus outbreak that occurred in April 2021 must be closely

Mr. Wuttipong Jittungsakul, Fiscal Policy Advisor, and Mr. Pisit Puapan, Executive Director of Macroeconomic Policy Bureau revealed the economic report in April 2021 that “The Thai economy in April 2021 showed an increase from the same period of previous year due to an expansion of the exports. However, the impact of the new coronavirus outbreak that occurred in April 2021 must be closely monitored.” **The details were summarized as follows:**

Economic indicators on private consumption in April 2021 showed an improving sign from the same period of previous year. shown by motorcycle registration increased by 65.8 percent per year, due to the low-base effect from last year, and grew by 7.7 percent from the previous month after a seasonal adjustment. Meanwhile, real farm income continued to expand by 9.8 percent per year. Real VAT collection and Passenger car sales increased at high level by 60.8 and 92.4 percent per year, respectively, as a result of the low base effect from last year, but decreased from the previous month after a seasonal adjustment. Furthermore, the consumer confidence index decreased to 46.0 from 48.5 in the previous month due to consumers are worried about the new wave of coronavirus disease outbreak that occurred in April 2021. However, fiscal stimulus measures, such as the We-Win scheme and the Section 33 We Love One Another scheme, can support consumers' purchasing power.

Economic indicators on private investment in April 2021 showed an improving sign from the same period last year. Machinery and equipment investment is reflected by the import value of capital goods that continued to increase by 16.5 percent per year. Moreover, commercial car sales expanded by 93.1 percent per year and 0.9 percent per month after a seasonal adjustment. For investments on construction category. cement sales decreased by -1.6 percent per year, but increased by 5.2 percent from the previous month after a seasonal adjustment due to the positive impact of public infrastructure investment. Meanwhile, real estate tax collection increased by 40.4 percent year and 1.7 percent per month after a seasonal adjustment.

International trade increased from the same period last year. In April 2021, Thai exports rose above 20 billion USD for three consecutive months to 21.4 billion USD with the growth rate of 13.1 percent - the largest growth in 36 months. Moreover, the exports of real sector (excluding gold, oil-related products, and weaponry) continued to soar with 25.70 percent expansion. There was an expansion on many export goods as follows: 1) The export values of automotive/equipment/components and rubber products expanded by 135.9 and 55.5 percent per year, respectively. 2) The export values of agricultural and food products such as rubber and cassava products increased by 85.2 and 40.0 percent per year, respectively. 3) The export of the products related to ‘work at home’ and home appliances such as computers, furniture and parts, air conditioners, microwave ovens, refrigerators and freezers, washing machines and parts, radio and television receivers and parts, and cellphones and parts, also expanded. 4) The orders of COVID-19 related products such as rubber gloves, medical equipment and parts continued to increase. 5) The export of products related to the manufacturing sector such as steel and products, chemicals, plastic resins, and electronic circuit boards, started to improve. Focusing on Thai export to main markets, the export values to the USA, China, Europe, and South Asia expanded by 9.0, 21.9, 52.5, and 149.9 percent per year, respectively.

Supply-side indicators expanded slightly from the same period last year. In the tourism sector, there were 8,529 foreign tourists in April 2021, including the Special Tourist Visa, the Thailand Privilege Card, and the business travelers. To focus on nationality, the majority of tourists in this month were Germany, United States, and China. Meanwhile, Thai tourists increased by 5,261.5 percent per year due to the low base effect from last year. The agricultural sector is reflected by Agricultural Product Index (API) that grew slightly by 0.8 percent per year due to increasing in cassava and livestock products, such as pigs and chickens. However, the Thai Industries Sentiment Index (TISI) decreased to 84.3 from 87.3 in March 2021 as entrepreneurs were worry about the new coronavirus outbreak in April 2021, but the expansion of exports continued to support them.

Internal economic stabilities remained favourable. Headline and core inflation in March 2021 were at 3.4 and 0.3 percent per year, respectively. Meanwhile, public debt to GDP at the end of March 2021 stood at 54.3 percent to GDP, which was below Fiscal Sustainability Framework under the State Fiscal and Fiscal Discipline Act, B.E.2561 (2018). External economic stability remained robust reflecting the resilient ability to risk from the volatilities in the global economy as the international reserves at the end of April 2021 were high at 250.4 billion USD.

Table 1 Quarterly and Monthly Economic Indicators in April 2021

Economic Indicators	2020	2020				2021			
		Q1	Q2	Q3	Q4	Q1	Mar	Apr	YTD
External sector									
Dubai crude oil price (US\$/Barrel) /7	42.21	50.73	30.57	42.92	44.62	60.01	64.42	62.90	60.74
Fed funds rate (%) /7	0.00-0.25	0.00-0.25	0.00-0.25	0.00-0.25	0.00-0.25	0.00-0.25	0.00-0.25	0.00-0.25	0.00-0.25
Demand-side indicators									
Private consumption indicators									
Value added tax at constant price (%YoY) /1	-6.8	-0.0	-15.1	-5.1	-6.7	-3.9	15.2	60.8	8.3
Sales of passenger cars (%YoY)/14	-30.6	-23.6	-60.2	-30.3	-5.0	-24.0	18.4	92.4	-12.2
The number of new motorcycles registrations (%YoY)/13	-10.4	-5.9	-28.1	-2.9	-4.6	1.2	15.6	65.8	11.4
Import volume of consumer goods in USD (%YoY) /1	-10.1	-2.2	-16.6	-11.2	-10.6	8.8	17.8	35.6	14.4
Consumer Confidence Index (Index) /5	52.6	60.8	48.2	50.4	51.1	48.6	48.5	46.0	47.9
Private investment indicators									
Import volume of capital goods in USD (%YoY) /1	-10.3	-3.9	-17.0	-15.4	-4.9	5.4	14.8	16.5	8.0
Sales of commercial cars (%YoY)/14	-15.2	-24.4	-44.2	-1.3	11.7	5.9	26.3	93.1	18.9
Total taxes collected from real estate transaction (%YoY) /1	-12.9	-17.8	-12.3	-10.4	-11.3	5.0	17.8	40.4	11.7
Domestic cement sales (%YoY) /2	-0.5	-4.3	4.0	1.6	-3.1	4.7	11.4	-1.6	3.2
Construction material price index (%YoY) /14	-1.8	-2.1	-3.6	-1.7	0.4	4.4	5.4	8.4	5.4
International trade indicators									
Exports (Billion USD): custom basis (%YoY)/4	231.5	62.7	51.7	58.7	58.4	64.1	24.2	21.4	85.6
Export price (%YoY)/4	-6.0	1.0	-15.2	-7.8	-2.0	2.3	8.5	13.1	4.8
Export volume (%YoY)/14	-0.8	-0.4	-2.0	-0.7	0.1	2.1	3.5	3.9	2.6
Imports (Billion USD): custom basis (%YoY) /4	-5.3	1.4	-13.4	-7.2	-2.1	0.1	4.8	8.8	2.1
Import price (%YoY)/4	207.0	58.2	44.8	48.7	55.3	63.6	23.5	21.2	84.9
Import volume (%YoY) /14	-12.4	-2.9	-23.8	-18.6	-4.2	9.4	14.1	29.8	13.9
Trade balance (Billion USD): custom basis/4	-2.0	-0.9	-5.1	-1.5	-0.5	6.1	10.7	13.1	7.8
	-10.7	-1.9	-19.6	-17.4	-3.8	2.9	3.1	14.7	5.6
	24.5	4.5	6.9	9.9	3.1	0.5	0.7	0.18	0.7
Supply-side indicators									
Agricultural sector									
Agricultural Production Index (%YoY) /6	-5.6	-13.3	-5.0	-2.4	-2.1	3.7	3.1	0.8	3.1
Agricultural Price Index (%YoY) /6	6.1	8.6	-1.4	6.3	11.1	9.7	12.8	13.3	10.6
Real farm income (%YoY) /14	1.2	-6.9	-4.0	4.5	8.4	13.5	15.6	9.8	12.7
New employment in agricultural sector(%YoY) /3	1.2	-3.6	—	0.4	3.9	—	—	—	—
Industrial sector									
Manufacturing Production Index (%YoY) /10	-9.3	-6.7	-20.4	-8.5	-1.6	0.3	4.1	n.a.	0.3
Import value of raw materials in USD	-9.9	-1.5	-20.1	-19.2	2.5	26.3	29.6	29.1	27.0

Economic Indicators	2020	2020				2021			
		Q1	Q2	Q3	Q4	Q1	Mar	Apr	YTD
(%YoY) /1									
Import volume of raw materials in USD (%YoY) /1	-11.8	-2.7	-21.4	-21.0	-1.2	20.5	23.0	22.4	20.9
Capacity utilization (%) /10	61.0	66.9	52.8	60.4	63.8	67.0	69.7	n.a.	67.0
New employment in industrial sector (%YoY) /3	4.7	-1.6	—	-2.6	20.3	—	—	—	—
Thai Industrial Sentiment Index (Index) /9	84.6	90.1	78.1	83.9	86.4	85.3	87.3	84.3	85.1
Service sector									
No. of foreign tourists (Million persons) /11	6.7	6.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
(%YoY) /14	-83.2	-38.0	-100.0	-100.0	-99.9	-99.7	-99.2	100.0	-99.7
No. of Thai tourists (%YoY)	-46.4	-30.3	-90.6	-38.0	-29.9	-34.5	71.5	5,2561.5	-17.5
New employment in service sector(%YoY) /3	-0.8	1.0	—	3.1	-4.6	—	—	—	—
External economic stability									
Average exchange rate (Baht/USD) /2	31.4	31.8	31.7	31.3	30.6	30.3	30.8	31.3	30.5
Current account (Billion USD)/2	16.5	9.8	1.3	6.6	-1.2	-1.7	-0.8	n.a.	-2.6
International reserves (Billion USD)/2	258.1	226.5	241.6	251.1	258.1	253.9	245.5	250.4	250.4
Net Forward Position (Billion USD)/2	28.3	34.4	24.5	24.2	28.3	30.6	32.7	30.7	30.7
Internal economic stability									
Unemployment rate (%) /3	1.6	1.1	2.0	1.3	1.9	2.0	—	—	2.0
Producer Price Index (%YoY)/4	-1.9	-0.4	-4.1	-1.7	-1.5	-1.4	0.5	2.8	-0.3
Headline inflation (%YoY)/4	-0.8	0.4	-2.7	-0.7	-0.4	-0.5	-0.1	3.4	0.4
Core inflation (%YoY)/4	0.3	0.5	0.1	0.3	0.2	0.1	0.1	0.3	0.2
Public debt to GDP (%) /1	51.8	41.7	45.8	49.4	51.8	54.3	54.3	—	54.3

Fiscal sector	FY2563	FY2563 Q2	FY2563 Q3	FY2563 Q4	FY2564 Q1	FY2564 Q2	FY2564 Mar	FY2564 Apr	FYTD
Fiscal sector									
Budget expenditure (Billion baht) /1	2,943.9	729.5	813.6	710.4	690.4	938.5	612.9	258.5	222.8
(%YoY) /1	5.6	-18.3	21.6	20.4	8.6	28.7	-24.7	-42.9	-31.0
Current expenditure (Billion baht) /1	2,575.9	703.5	750.4	602.8	519.3	865.5	526.2	211.9	186.8
(%YoY) /1	7.3	-14.0	31.9	21.1	0.5	23.0	-29.9	-47.6	-35.5
Capital expenditure (Billion baht) /1	367.9	26.0	63.3	107.6	171.1	73.0	86.7	46.6	36.1
(%YoY) /1	-5.0	-65.4	-36.9	16.1	43.7	180.9	37.1	-3.7	8.3
Carry-over budget (Billion baht) /1	224.9	80.6	62.8	32.8	48.7	79.8	54.2	20.0	8.3
(%YoY) /1	-11.8	13.9	2.9	-54.0	-6.0	-1.0	-13.7	-0.9	-36.4
Government expenditure (Billion baht) /1	3,168.7	810.1	876.4	743.2	739.0	1,018.3	667.0	278.5	231.1
(%YoY) /1	4.1	-15.9	20.0	12.3	7.5	25.7	-23.9	-41.1	-31.2

Source: 1/Ministry of Finance 2/Bank of Thailand 3/National Statistical Office 4/ Ministry of Commerce 5/ The University of the Thai Chamber of Commerce 6/ Office of Agricultural Economics 7/Reuters 8/ The Federation of Thai Industries 9/ The Office of Industrial Economics 10/ Ministry of Tourism & Sports 11/ The Revenue Department, the Excise Department, and the Thai Customs 12/ Department of Land Transport 13/Toyota Motor Thailand Co.,Ltd.14 /Fiscal Policy Office