

Thailand's Economic Fact Sheet

Economic Projections	2012	2013 ^E	2014 ^F
GDP (billion US\$)	366	385	388
Real GDP growth (%)	6.5	2.9	3.0-4.0
GDP per capita (US\$)	5,390	5,647	5,650
Exports (billion US\$)	226.2	225.4	241
Export growth (%)	3.2	4.2	6.0
Import (billion US\$)	217.8	219.0	231.6
Import growth (%)	7.8	2.3	4.6
Trade balance (billion US\$)	8.3	6.4	9.6
Current account balance (billion US\$)	2.7	-2.6	-0.6
Current account balance to GDP (%)	0.8	-0.6	-0.2
Inflation – CPI (%)	3.0	2.2	1.9-2.9
Number of Foreign Tourists (million people)	22.3	26.7	27.5
Growth in Number of Foreign Tourists (%)	16.1	19.6	3.0

Source: NESDB (August 2013) / Bank of Thailand (August 2013) / Ministry of Commerce

GDP Growth Forecasts	2014 ^F	Time of forecast
Bank of Thailand	2.7%	March 2014
Fiscal Policy Office	2.6%	March 2014
IMF	5.2%	October 2013
World Bank	4.0%	February 2014
ADB	4.9%	October 2013
SCB	2.4-3.0%	February 2014
Kasikorn Bank	2.2-3.7%	January 2014

Economic Conditions¹

Percentage Change (y-o-y)	Q4/12	Q1/13	Q2/13	Q3/13	Q4/13
Manufacturing Production Index	43.4	2.9	-4.9	-3.6	7.1
Private Consumption	12.4	4.4	2.4	-1.2	-4.5
Private Investment	20.9	2.9	1.9	-3.3	-13.1
Capacity Utilization (level)	66.6	67.4	64.1	65.6	62.2

Net FDI flows^P (Q4/2013): 7.92 bil. USD; Net TDI* flows^P (Q3/2013): -1.43 bil. USDGovernment revenue^P (Q4/2013): 15.92 bil. USD, -0.8% (y-o-y) (using Q4 Exchange Rate)Government expenditure^P (Q4/2013): 30.44 bil. USD, -0.4% (y-o-y) (using Q4 Exchange Rate)

Farm Income (Q4/2013): 4.8% (y-o-y)

Economic Stability (Monthly Info)

Headline Inflation² (as of 1/2014): 1.93%External debt² (end of 1/2014): 139.5 bil. USDPublic debt¹ (end of 1/2014): 19.4 bil. USDUnemployment rate² (1/2014): 0.9%Official foreign reserves² (end of 1/2014): 166.7 bil. USD

Tourism Statistics

Popular Cities 2012 (Forbes): World's #3 (Bangkok)

Country Brand Index '12 - '13 (FutureBrand): #26

Future Fifteen's (FutureBrand): #11

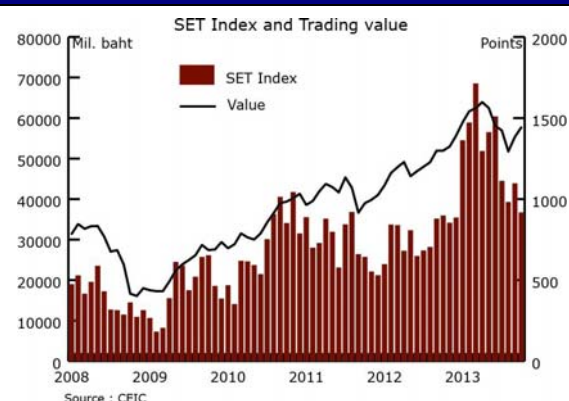
World's Best Awards (Travel & Leisure): #1

Tourists (Q3/2013): #1 China (+82.9% y-o-y),

#2 Malaysia (+22.8% y-o-y), #3 Japan (+11.2% y-o-y),

#4 Korea (+9.3% y-o-y), #5 Laos (+32.3% y-o-y)

Number of Tourists (Q4/2013): 7.1 mil (10.7% y-o-y)

SET Index Forecast¹External Sector (Q4/2013)²Doing Business 2014⁶: World's #18/189; East Asia's and Pacific #5

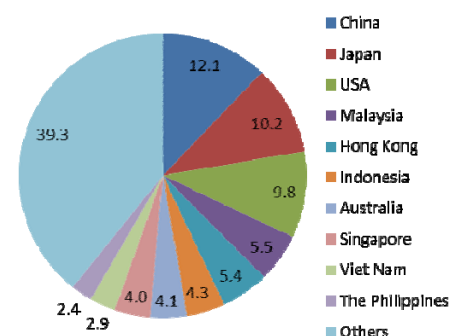
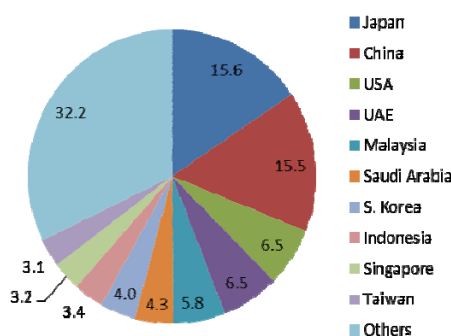
Exports: 55.9 bil. USD -1.0% (y-o-y)

Imports: 52.0 bil. USD -7.6% (y-o-y)

Current account balance: Surplus by 5.197 bil. USD

Exchange rate (avg. 4Q2013): 31.69 THB/USD

THB depreciated by 1.46% (compared to 3Q2013)

Top Export Destinations (Jan- Feb 2014)⁵Top Import Origins (Jan- Feb 2014)⁵

Financial data

Interest rates²:

Policy interest rate: 2.00% (3/2014)

MLR (1/2014): 6.88%

12-m deposit rate (1/2014): 2.18%

Stock market (Q4/2013)¹

SET index closed at 1,298.7 points, decreased by 6.1% from Q3

Rating of Sovereign bonds :

S&P: BBB+ stable / Fitch: BBB+ stable /

Moody's: Baa1 stable

Tax Rates⁴

Corporate Income Tax: 20% in 2013 – 2014 for small companies with net profit > 1 mil. baht

Withholding tax: 1 - 10% VAT: 7%

Source: ¹ NESDB; ² Bank of Thailand;³ Stock Market Exchange of Thailand;⁴ Ministry of Finance; ⁵ Ministry of Commerce; ⁶

World Bank

Note: Green = increase; Red = decrease from previous Fact Sheet unless stated as y-o-y;

^F = forecast; *TDI = Thai Direct Investment

(outward FDI) NUMBERING is in American Eng.

กองสนเทศเศรษฐกิจ กรมเศรษฐกิจระหว่างประเทศ
ถนน ศรีสอง (ตอ ๑๔๒๑๐) / กุลวรรณ ชิตรัตน์ (ตอ ๑๔๒๑๒)

Top 10 Exports (Jan-Feb 2014)

Top 10 Exports (Jan-Feb 2014)	Share (%)
Auto. Parts & Accessories	10.7
Computers, Equipment, & Parts	8.1
Refined Fuels	5.1
Precious Stones & Accessories	4.6
Chemical Products	4.3
Plastic Pellets	3.9
Rubber Products	3.9
Rubber	3.7
Electrical Circuit Boards	3.0
Machinery and Parts	2.8

Top 10 Imports (Jan- Feb 2014)

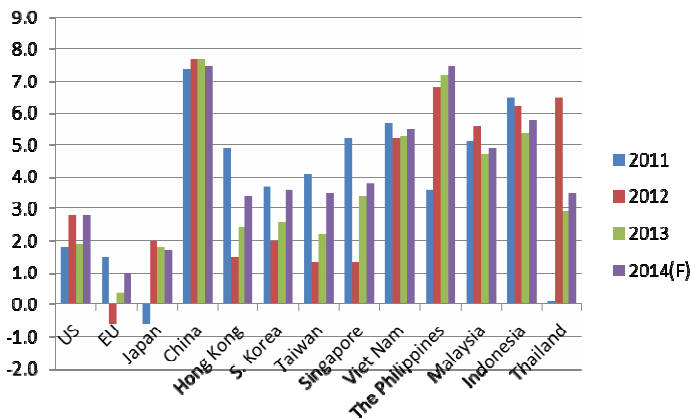
Top 10 Imports (Jan- Feb 2014)	Share (%)
Crude Oil	17.0
Machinery & Parts	9.5
Electrical Machinery & Parts	6.3
Chemical Products	6.3
Iron, Steel, & Products	5.6
Auto. Parts & Accessories	4.1
Electrical Circuit Boards	4.0
Computer, Equipment, Parts	3.5
Other Metal Ores	3.4
Household Electrical Appliances	2.9

Thailand's Key Economic Indicators – 4th Quarter 2013

<p>2013 (Q4) GDP Growth: 0.6%</p>	<p>Private Consumption (Q4) - 4.5% (y-o-y)</p>
<p>2012 GDP Growth: 6.5% GDP: 366 bil. USD GDP per capita/year: 5,389 USD</p>	<p>Private Investment (Q4) - 13.1 % (y-o-y)</p>
<p>2013^E GDP Growth: 2.9% GDP: 385 bil. USD GDP per capita/year: 5,647 USD</p>	<p>Headline Inflation (Q4) + 1.7% (y-o-y)</p>
<p>2014^F GDP Growth: 3.0-4.0% GDP: 388 bil USD GDP per capita/year: 5,650 USD</p>	<p>Policy Interest Rate 2.00%</p>
<p>Exports (Q4) 55.9 bil. USD: -1.0%</p>	<p>Official Foreign Reserves 167.23 bil. USD (2.7 times short-term foreign debt; 9.6 months of import value)</p>
<p>Imports (Q4) 52.0 bil. USD: -7.6%</p>	<p>Public Debt (Q4) 45.3% of GDP</p>
<p>Doing Business (2014) #18 in the world #5 in Asia</p>	<p>Unemployment Rate (Q4) 0.7%</p>
<p>Current Account Balance (Q4) Surplus 5.197 bil. USD</p>	<p>Number of Tourists (Q3) 7.1 mil. + 10.7% (y-o-y)</p>

Key Economic Trends

GDP Growth of Selected Economies



Trade Figures and Share of Thai Trade (2012)

	Amt. (mil. USD)	Share (%)
Trade with World	474,743	100
ASEM	296,788	63
APEC	319,918	67
GMS-EC	88,263	19
ASEAN	95,808	20
NAFTA	39,700	8
Japan	72,521	15
China	63,434	13
EU	41,590	9

Conversion Rate 1USD : 31.376THB

Thailand Rankings

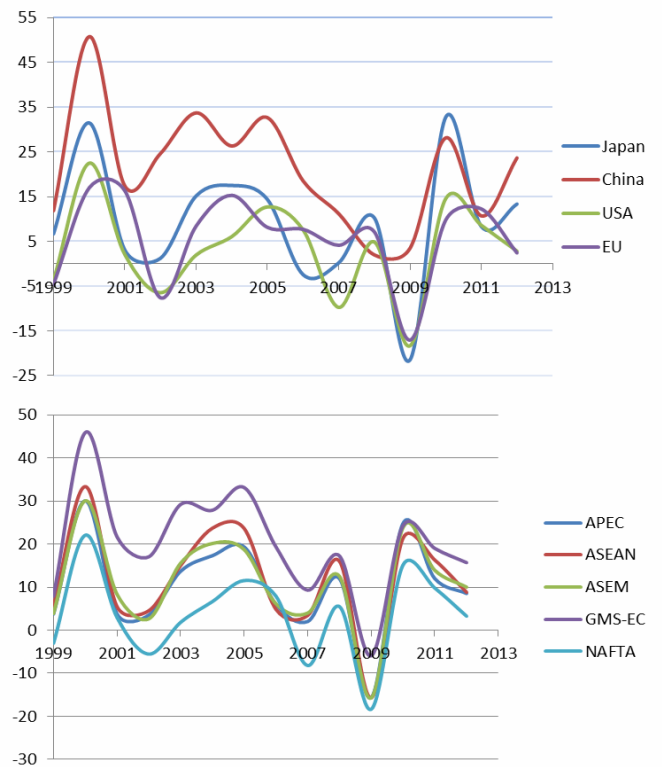
Rankings (WEF)

- 44/122 Income Level: Upper Middle Income
- 79/122 Education
- 40/122 Health and Wellness
- 48/122 Enabling working environment

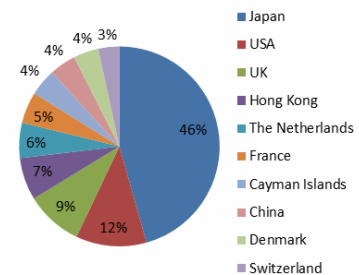
Other Rankings (BOI/WB)

- Largest producer of Hard Disk Drives
- 2nd Largest natural and synthetic rubber producer
- 2nd largest exporter of sugar 6th largest sugar producer
- 6th largest rice producer
- 12th largest exporter of total food
- 12th largest foreign reserves
- 15th largest producer of automotive (2011)
- 30th largest gold reserve
- 38th for competitiveness
- 38th Logistics Performance Index (LPI)

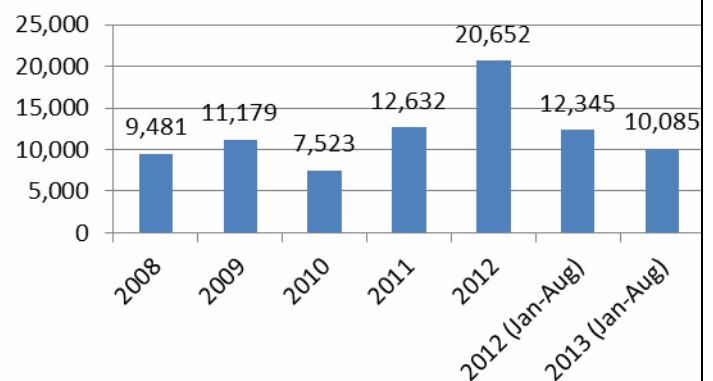
Thailand Trade Growth (1999-2012)



Thailand FDI Breakdown



Thailand FDI in 2012



Talking points concerning the Thai economy

- In 2014, the export sector started to show a clear sign of recovery and is likely to continue to grow at a faster pace. It is expected that export value will be able to grow by 5.0-7.0 per cent, and will be one of the most important supportive factors for Thailand's economic growth in 2014.
- The number of foreign tourists in 2014 is expected to reach 27.5 million persons, an increase of 3.0 per cent from 2013, but lower than previous assumption of 28.0 million persons. It can be inferred that this is mainly because many countries have issued warnings to tourists traveling to Thailand. However, the protests have been concentrated in only a few designated spots, and hardly affect tourist destinations in Thailand.
- The Bank of Thailand has trimmed its GDP growth forecast from 3 per cent to 2.7 per cent due to the country's recent political unrest. It has also warned of a risk of recession during the first two quarters of 2014. However, the economy is still expected to rebound in the latter half of this year due to the low unemployment rate and expected resumption of normal operations among businesses.
- Thailand's economic fundamentals remain very strong. Private investment and domestic consumption show signs of bouncing back quickly, which is most likely to result in the economy growing beyond its current forecasted rate.

(Other issues)

The 2 trillion Baht Borrowing Bill (to promote infrastructure development, a part of Thailand's efforts to becoming the regional logistical hub)

- On 12 March 2014, the Constitutional Court unanimously ruled that the government legislative **bill to empower the Finance Ministry to seek 2 trillion Baht in loans for infrastructure development is unconstitutional** and, through a majority vote, the Court also found that the legislative procedures violated the Constitution's provisions.
- Looking forward, however, many possibilities for funding the infrastructure development projects still exist. The projects that have already been approved and are in progress are unaffected by the Court's ruling.
- Projects that have not yet been approved will go through the regular budgeting procedure. They may have to be financed through the annual budget for 2014-2015 and beyond. Another option could be to borrow funds under the Public Debt Management Act of 2005, which under Section 22 allows for the government to borrow funds for social and economic programs. Public-Private Partnership (PPP) is also another viable option.

Investment in Thailand

- On 1 April 2014, the Cabinet approved the proposal to establish a new Board of Investment (BOI) Board, which will not be restrained by the aforementioned conditions. The list of the new Board members will be reviewed by caretaker Prime Minister Ms. Yingluck Shinawatra.
- The new BOI Board will prioritise (over all other BOI functions) the revision/ approval of the 400+ project proposals (valued over USD 21 billion) in the pipeline in order to facilitate the investment process.
- BOI Secretary General Mr. Udom Wongviwatchai plans to have all pending projects reviewed/ approved within 3-4 months.
- Additional information regarding business guide to Thailand can be found at http://www.boi.go.th/upload/content/AW_BOI-BusinessGuide2014-20130905-web_36759.pdf.

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