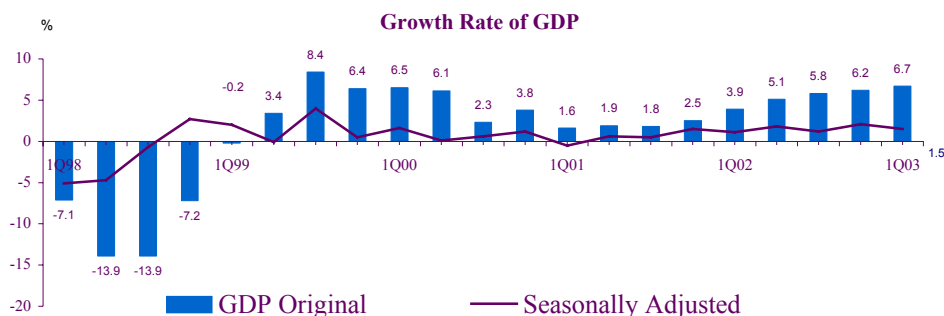




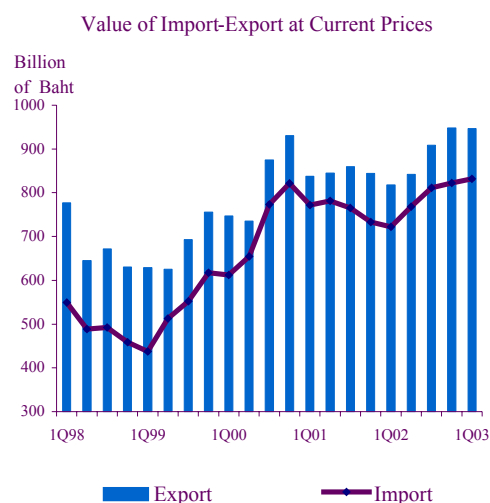
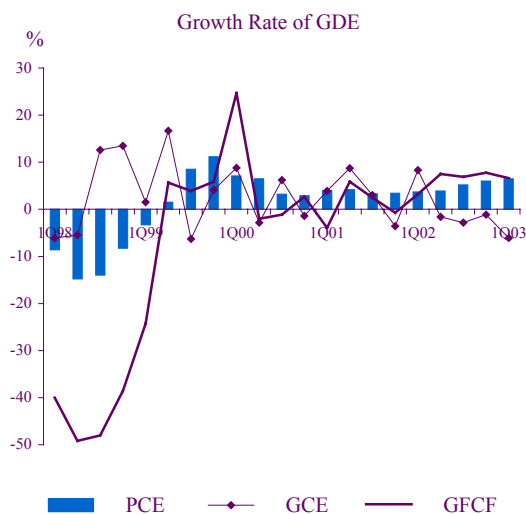
ผลิตภัณฑ์มวลรวมในประเทศ ไตรมาสที่ 1/2546

GROSS DOMESTIC PRODUCTS: Q1/2003

GDP QUARTERLY REPORT



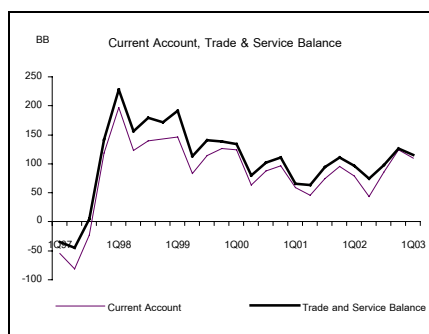
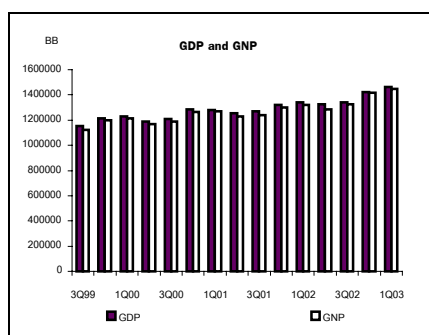
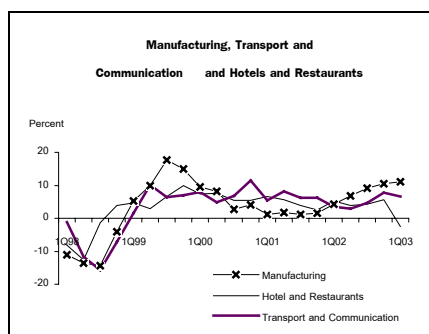
- GDP in Q1 remained strong with growth of 6.7% y-o-y and 1.5% seasonal adjusted.
- Stronger growth of manufacturing in consumer durable and exported goods, and agriculture attributed to overall growth except hotel business and air transport which dropped by 2.6% and 1.4% respectively as a result of Iraq war and SARS impacts.
- Construction remained sluggish as a result of lower public investment.



- Domestic demand remained strong in private consumption and investment especially automobiles, consumer and IT products.
- Government's current spending dropped by 2.4% as a result of lower disbursement during transitional period of bureaucratic reform.
- Exports of good remained strong despite appreciation of Baht, while services revenue receipts slowed down in tourism income. as a result of 1.6 % drop in foreign tourists.

GROSS DOMESTIC PRODUCT (GDP) : Q1/2003

Gross Domestic Product in 1Q02 expanded by 6.7% higher than 6.2% in 4Q02



Outlook : GDP 1Q03 growth accelerated by domestic expenditure while SARS began to affect GDP at the end of quarter.

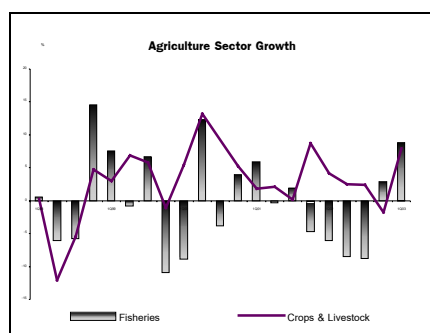
- The Thai economy in the first quarter of 2003, measured by Gross Domestic Product (GDP), continually accelerated by 6.7%. It was supported by domestic demand particularly household consumption, rose by 6.5%, compared to 6.0% in 4Q02. Investment markedly rose by 6.6%. While government expenditure still shrank by 6.1%. For External sector, export and import of goods and services both expanded by 12.0%, especially services receipts decelerated owing to the Iraq War situation and epidemics of Severe Acute Respiratory Syndrome (SARS).
- The production growth was mainly driven by both manufacturing sector, 11.0% growth, and agricultural sector, 8.1% growth. The high growth sectors were electricity, gas and water supply (5.2%); wholesale and retail trade (4.6%); transport, storage and communication (6.6%); and financial intermediation (7.6%). However, the decreased sectors were construction (-6.8%) and hotel and restaurants (-2.6%).
- The seasonally adjusted GDP expanded by 1.5%, less than 2.1% in 4Q02.

Growth Rate of Gross Domestic Product: Q1/2003 (%)							(%)
	2001	2002	2002				2003
			Q1	Q2	Q3	Q4	Q1
Agriculture	3.3	0.5	2.6	0.7	0.2	-1.2	8.1
Non-agriculture	1.8	5.8	4.0	5.6	6.2	7.4	6.6
GDP	1.9	5.3	3.9	5.1	5.8	6.2	6.7
GDP (Q/Q) (Seasonally Adjusted)	1.9	5.3	1.1	1.8	1.2	2.1	1.5

- GDP in 1Q03 at current market prices valued at Baht 1,462.5 billion, and after deducted by net factor income from the rest of the world, Baht 13.7 billion, the Gross National Product (GNP) valued at Baht 1,448.8 billion, with 7.6% growth.
- Trade and services balance was in surplus, Baht 115.2 billion. After included net factor income and transfer from the rest of the world, recorded a deficit of Baht 5.3 billion, the current account was in surplus, equivalent to Baht 109.9 billion, 7.5% of GDP compared to 8.7% in 4Q02.
- The GDP implicit price deflator increased 2.1% compared to 1.6% in 4Q02. The consumer price index and producer price index rose by 1.9% and 5.3% respectively.

Production grew by 6.7% as the agriculture and manufacturing sector boosted, though services somewhat declined.

Agriculture recorded high growth, 8.1% due to a favorable increase in crops, livestock and fisheries. Implicit agricultural prices remained higher.



Manufacturing expanded by 11.0%, mainly from high domestic demand and exports.

Production

The production accelerated from 6.2% in 4Q02 to 6.7% in 1Q03. It was highlighted by agricultural sector which markedly increased by 8.1%, compared to 1.2% dropped down in 4Q02. Non-agricultural sector showed slower pace of 6.6% growth, compared to 7.4% in 4Q02. It was driven by decelerated growth of services, however, manufacturing still increased in line with higher domestic spending as well as satisfactory exports. Though the world export market seemed to be uncertain, some potential markets expanded especially Asia and China supported by bilateral and multilateral trade promotion policy.

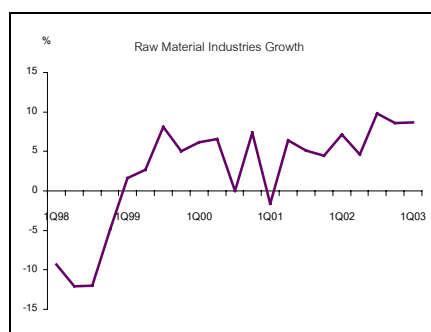
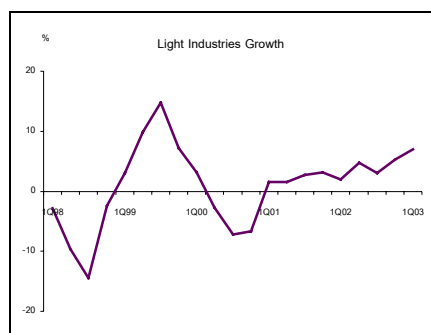
Agriculture

Agricultural production rose by 8.1% mainly from crops and livestock production which grew by 7.9%. In addition, fisheries continued to increase by 8.8%.

- **Crops** expanded by 8.6% as a result of high rubber production in light of induced ex-farm prices and satisfactory exports. Sugarcane recorded high growth supported by good weather condition and plant area expansion. Many other crops also expanded, namely first paddy, cassava, maize, mung bean, ground nut, coffee bean, fruit, vegetables and palm nut.
- **Livestock** grew by 5.5% due to an expansion in buffalo, swine and especially poultry production in response to favorable exports.
- **Fisheries** expanded by 8.8% mainly from growing external demand for fishery products. This was in part because the residual substances problem in shrimp exported to the European market was mitigated.
- **Implicit price deflator of agricultural sector** rose by 7.5% owing to higher prices of various major crops such as paddy, palm nut and rubber. Nevertheless, excess supply of sugarcane together with declining price of sugar in the world market pushes down its ex-farm price. Swine, poultry and poultry product prices also decreased owing to their over supply.

Manufacturing

In 1Q03, the manufacturing continually increased by 11.0%, higher than 10.5% in 4Q02 owing to continual increase in domestic demand and satisfactory stage of exports in spite of the uncertainty of foreign market due to Iraq War situation. Major industries namely light industries; raw material industries; capital goods and high technology industries favorably increased by 7.0%, 8.7%, and 18.9% respectively. Growth industries were food and beverages, petroleum, rubber and plastic, machinery and equipments, electrical machinery and apparatus, and transport equipments.



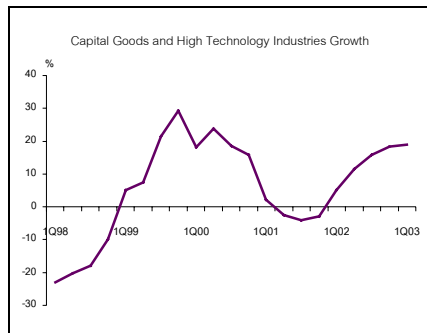
Manufacturing Sector Growth						(%)
Industrial types	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
Light Industries	3.7	2.0	4.7	3.0	5.3	7.0
Raw material	7.5	7.1	4.6	9.8	8.6	8.7
Capital goods and high tech.	12.9	5.0	11.6	15.8	18.4	18.9
Total	7.6	4.2	6.8	9.1	10.5	11.0

Light industries expanded by 7.0%, higher than 5.3% in 4Q02. Growth sectors were:

- Food and beverages expanded by 12.9%, particularly an increase in food, 10.0% higher than 6.6% in 4Q02. It was resulted from higher demand for the exports of processed seafood, and fruit and vegetables in line with the resolution of residual substance in seafood product exported to the European market. Beverages continually rose by 20.0%, higher than 16.9% in 4Q02. It was resulted from the high growth of the liquor and beer production in order to substitute their low stock of previous year. Moreover, the non-alcoholic beverage production increased according to higher domestic demand.
- Woods and wood products expanded by 12.5%, higher than 10.3% in 4Q02 due to the expansion in construction, especially private sector.

Raw material industries slightly grew by 8.7%, higher than 8.6% in 4Q02 according to the increase in petroleum, rubber and plastic, and metallic products. Growth sectors were

- Petroleum expanded by 8.3%, compared to 3.1% in 4Q02 due to high growth of domestic demand following high increase in a number of motor vehicles. Furthermore, the government's controlled retail price of fuel measure resulted in the stability of fuel price and the consumption. Moreover, the fuel production in 1Q02 was low owing to the closure for maintenance of some refinery factories.
- Rubber and plastic continually expanded by 27.7%, higher than 21.6% in 4Q02 according to 22.1% growth of rubber industries for motor vehicles and motorcycles in line with high production of motor vehicles and motorcycles. Moreover, other rubber products, particularly the block rubber, expanded by 42.1% in line with continual high price in the world market and satisfactory exports.
- Metallic products grew by 6.9% in line with an increase in demand of linkage industries such as motor vehicles and construction as well as its favorable exports.



The production of crude oil sharply expanded, but other minerals declined.

Overall construction shrank due to contracted public construction.

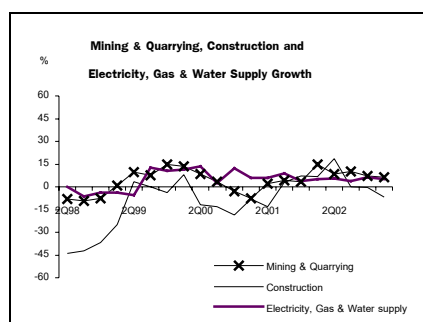
Capital goods and high technology industries experienced the favorable rising sign of production at 18.9% in 1Q03, higher than 18.4% in 4Q02. It was resulted from the consecutive 4 quarters expansion of motor vehicle production as well as satisfactory exports of integrated circuits. High growth sectors were:

- **Machinery and equipments** expanded by 17.7% owing to an increase in production of air conditioners and refrigerators with 28.8% and 38.9% growth respectively.
- **Electrical machinery and apparatus** expanded by 23.3% owing to 23.3% increase in the exports of integrated circuits.
- **Motor vehicles** significantly expanded by 56.4%, higher than 30.2% in 4Q02, mainly due to the increase in domestic demand of passenger cars and commercial cars with 72.3% and 30.6% growth, respectively.
- **Other transport equipments** expanded by 44.6% mainly from the 54.8% increase in motorcycles production according to high domestic demand due to higher farm income. Moreover, the exports of motorcycles increased by 25.9% in 1Q03.

Mining and quarrying grew by 6.2% owing to the 10.3% increase in crude oil and natural gas production. Crude oil production sharply rose by 44.8% mainly due to the production from Benjamas and Yala fields whereas natural gas production merely grew by 1.5%. Lignite production increased by 3.3%, however, quarrying of stone, sand and gravel shrank by 6.5% following overall declined construction and other minerals dropped by 6.1%.

Construction decreased by 6.8% due to public construction, accounting for 53.7% of overall construction, contracted by 20.2%. Furthermore, private construction growth fell from 23.4% in 4Q02 to 15.6% in 1Q03 because some private construction projects were postponed since the government has launched new housing programme known as Baan Ua Athon to help low-income Thais to have houses of their own.

Electricity consumption slowed down



Electricity, gas and water supply grew by 5.2%, lower than 6.5% in 4Q02. Electricity merely expanded by 5.1% in line with sluggish demand. Water supply grew by 7.6%, somewhat decelerating from the previous quarter. Gas refinery rose by 1.5% following natural gas production growth.

Electricity Consumption Growth		2002					(%)
(user types)	2002	2002				2003	
		Q1	Q2	Q3	Q4	Q1	
Residential	3.7	1.6	4.2	1.0	8.4	6.7	
Ratio	22.6	22.0	23.7	22.4	22.0	21.6	
Small Ent.	5.3	2.1	5.5	3.1	10.6	7.4	
Ratio	10.0	9.9	10.4	9.9	9.9	9.8	
Medium Ent.	4.0	2.1	3.7	4.0	6.1	4.8	
Ratio	19.6	19.9	19.5	19.6	19.4	19.2	
Large Ent.	7.7	4.4	7.1	9.4	9.8	9.5	
Ratio	39.0	39.8	37.7	39.3	39.4	40.1	
Special Ent.	6.5	2.4	6.2	5.2	12.8	5.8	
Ratio	3.3	3.3	3.3	3.2	3.2	3.2	
Public Sector	5.2	1.8	6.1	4.6	8.2	3.3	
Ratio	3.7	3.6	3.7	3.9	3.7	3.4	
Others	183.7	75.5	175.5	182.3	353.4	97.6	
Ratio	1.8	1.4	1.7	1.7	2.3	2.6	
Total	6.8	3.5	6.6	6.5	10.8	8.7	

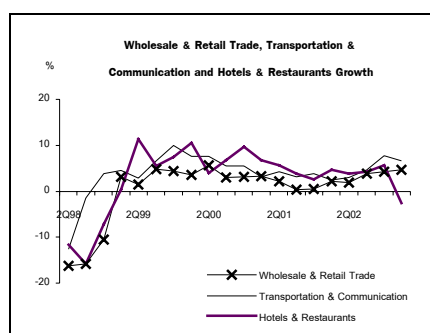
Sources : MEA and PEA

Transport decelerated due to Iraq War and SARS, whereas telecommunication services favorably increased.

Transport and communication decelerated from 7.8% in 4Q02 to 6.6% in 1Q03 owing to the deceleration of land transport and railway. Whereas air transport contracted by 1.4% mainly due to the effect of Iraq War situation and the epidemics of SARS. Nevertheless, telecommunication services showed satisfactory growth owing to the increased revenue of service providers.

Selected Transport and Communication Items Growth		2002					(%)
	2002	2002				2003	
		Q1	Q2	Q3	Q4	Q1	
Transport	3.6	2.5	3.0	4.7	4.0	2.3	
Land Transport	4.6	6.5	4.5	7.3	-0.2	5.3	
Passenger	2.3	-1.2	2.7	3.1	4.4	4.7	
Cargo	2.0	-1.2	0.4	2.6	7.2	-1.4	
Telecommunication							
Local Calls	-2.3	-11.5	-4.8	3.3	5.7	7.6	
Long Distance Calls	20.6	23.2	22.2	18.2	19.0	16.8	

Sources: TOT Corporation PCL, and CAT



Wholesale and retail trade grew by 4.6%, higher than 4.3% in 4Q02 as a result of an increase in agricultural trade following an increase in output. Moreover, industrial trade continually increased, particularly fuel, metallic, household equipments, drugs and cosmetic.

Hotels and restaurants dropped by 2.6%. In detail, restaurant services and hotel services decreased by 3.4% and 0.9%, respectively, owing to 1.6% decrease in number of foreign tourists. Somewhat decelerated growth was due to diminishing number of foreign tourists particularly tourists from Asian countries like Taiwan, China and Malaysia decreased by 2.8%. Moreover, tourists from Middle East dropped by 22.9% due to Iraq War situation and the epidemics of SARS. Whereas tourists from Europe, America, and South Asia still increased.

Number of Foreign Tourists (1000 Persons)

	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
Asian	6,398	1,675	1,572	1,537	1,614	1,549
European	2,604	837	445	541	781	849
American	687	176	147	154	210	205
Others	1,110	209	265	337	299	247
Total	10,799	2,897	2,429	2,569	2,904	2,850
Growth (YoY)	7.3	7.9	4.8	5.3	10.9	-1.6
Occupancy						
Rate	60.6	67.5	55.3	57.2	62.6	66.6

Sources : Tourism Authority of Thailand and Bank of Thailand

Net interest rate receipts of commercial banks slowed down while earning from service charges and fees increased

Financial intermediation grew by 7.6%, lower than 9.6% in 4Q02 owing to sluggish increase in net interest receipts of commercial banks, however, earning from service charges and fees rose. Better economic circumstance and low interest rate still pushed up consumer credits and housing loans, as shown by overall satisfactory performance of commercial banks.

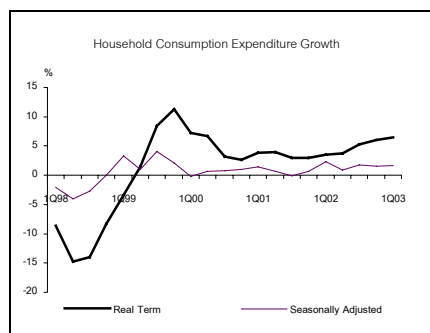
Other services decelerated by 2.3%, lower than 3.4% in 4Q02 causing by public administration services and especially private services. Radio and television service growth sharply fell from 24.5% in 4Q02 to 12.3% because decelerated advertising revenues.

Advertising Revenues (million baht)

	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
Television	41,597	9,302	10,765	10,305	11,225	10,781
Radio	5,106	1,145	1,292	1,277	1,392	1,172
Others	14,661	3,279	3,568	3,661	4,129	3,725
Total	61,364	13,726	15,625	15,243	16,746	15,678
Growth YoY	18.4	13.7	19.8	15.9	23.2	14.1

Source : Media Data Resources Co., Ltd.

**Despite of Iraq War and SARS,
household consumption
expenditure still increased by
6.5%**



Consumer Confidence Index (CCI)						
	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
CCI	84.1	75.9	83.1	88.6	88.9	92.3
Growth						
Rate (%)	11.8	-6.0	6.3	22.5	27.2	21.7

Source : The Center for Economic and
Business Forecasting, UTCC

Expenditure

Household consumption expenditure

Household consumption expenditure rose by 6.5% in 1Q03 compared to 6.0% in 4Q02 and the seasonally adjusted value increased at the rate of 1.7%. Although the anxiousness about the Iraq War and the outbreak of Severe Acute Respiratory Syndrome (SARS) happened at the end of 4Q02, the impact on household consumption was small as a result of an continual increase of farm income, resulting from an increase in quantities and prices of agricultural products. Furthermore, the low interest rate and the fixed oil price in government measures for relieving the suffering from an increase in oil price in the world market led to an expansion of household consumption, especially motor vehicles, mobile phones, electrical appliances, furniture and households utensils.

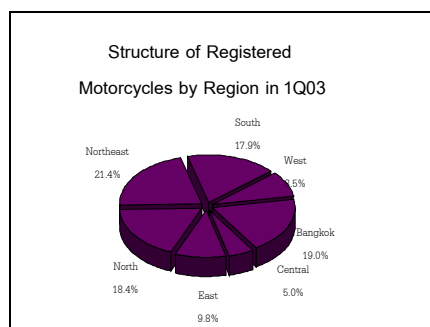
Excluding expenditure of residents abroad and non-residents in the country, household consumption expenditure grew by 6.8% in 1Q03, higher than 5.9% in 4Q02

Household Consumption Expenditure Growth						(%)
	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
PCE in domestic market	4.9	3.8	4.4	5.4	6.0	5.6
less : expenditure of non-residents in the country	5.3	4.4	5.1	4.8	6.9	-4.6
PCE excluding expenditure of non-residents in the country	4.8	3.7	4.3	5.5	5.9	6.8
plus : expenditure of residents abroad	1.1	2.1	-3.9	-1.3	9.8	-3.6
PCE	4.7	3.7	3.9	5.2	6.0	6.5

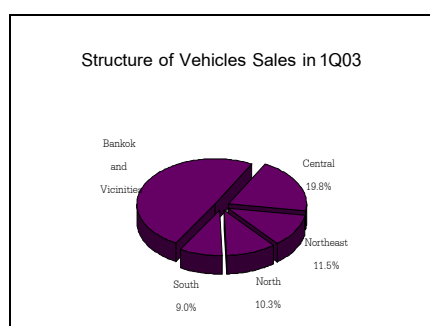
Agriculture rose by 1.7% in line with an increase in supply of crops and fishery products in the market, despite continual high prices of agricultural products.

Food, beverages, tobacco and textiles grew by 2.9% due to alcoholic and non-alcoholic beverage; meat and simple agricultural processing product; apparel, and tobacco consumption rising by 4.2%, 2.5%, 2.9%, and 1.4%, respectively.

Electricity, gas and water supply decelerated by 6.3% owing to the 6.5% increase of electricity consumption, lower than 8.8% in 4Q02 as a result of the government's saving energy measures such as campaign on turning off one light per household, controlling the temperature of the air conditioner at 25-26°C. Moreover, the water consumption expanded by 5.3%, compared to 7.5% in 4Q02.



Source: Department of Land Transport, Ministry of Transport



Source: Toyota Motor Thailand Co., Ltd.

Transport equipments continually rose by 52.4% compared to 31.3% in 4Q02 due to the 80.0%, 27.0% and 56.5% expansion of sales quantity of personal cars, commercial cars and motorcycles, respectively. This was a result of a large amount of car delivery from old reservations in the previous quarter and new reservations in this quarter which had the attractive promotions such as 3 months delay for the first payment, decreased down payment, low interest rate and extended payment terms.

Transport Equipment Sales

	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
Personal car (units)	126,330	24,446	33,296	34,092	34,496	44,010
Percentage change	20.8	17.4	28.4	29.0	9.9	80.0
Commercial car (units)	283,073	59,212	64,703	72,637	86,521	75,181
Percentage change	47.0	44.6	23.6	70.0	53.0	27.0
Motorcycle (thousand units)	1,316	287	282	339	408	449
Percentage change	42.0	25.6	20.1	51.4	70.8	56.5

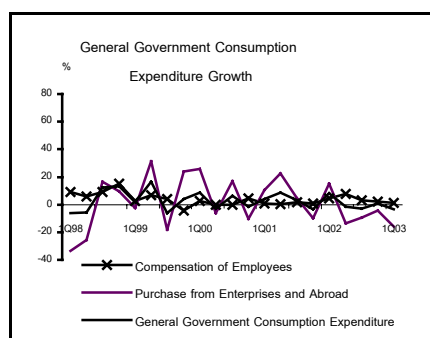
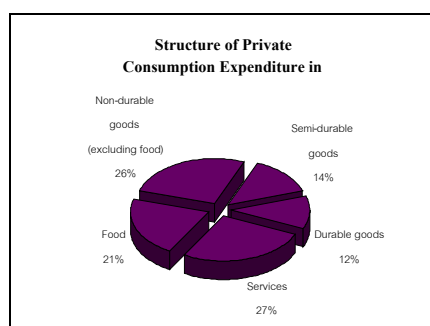
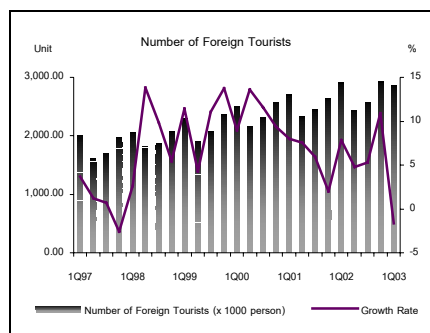
Sources : Toyota Motor Thailand Co., Ltd.,
Thailand Automotive Institute and the Bank of Thailand

Transport and communication services rose by 10.5% compared to 10.7% in 4Q02 owing to 6.3% and 20.2% expansion of transport and telecommunication service consumption, respectively. This was a result of both prices and products competition such as a campaign on purchasing basic telephone with free mobile phone, launching of digital mobile phone system using 1900 MHz frequency range and the multimedia mobile phone, the latest technology available in Thailand.

Subscribers of Telephone Numbers

(End of period)	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
Basic telephone (thousand units)	6,241	6,045	6,154	6,237	6,241	6,564
Population to registered number	10.2	10.5	10.3	10.2	10.2	9.7
Mobile phone (thousand units)	17,436	9,971	12,678	15,737	17,436	18,883
Prepaid System	13,029	5,055	7,802	11,022	13,029	14,744
Postpaid System	4,406	4,916	4,876	4,715	4,406	4,139
Structure	100.0	100.0	100.0	100.0	100.0	100.0
Prepaid System	74.7	50.7	61.5	70.0	74.7	78.1
Postpaid System	25.3	49.3	38.5	30.0	25.3	21.9
Population to registered number	3.7	6.4	5.0	4.0	3.7	3.4

Sources : TOT Corporation PCL, and the Communications Authority of Thailand



DISBURSEMENT (Baht in Billion)

Objects of Expenditure	Since the 1 st Quarter of FY			Jan – Mar		
	FY 2002	FY 2003	%%	2002	2003	%%
Wages and Salaries	137.3	144.4	5.2	70.0	72.9	4.1
Remuneration, Service other than Personal, and Supplied	25.8	23.2	-10.1	15.2	14.4	-5.3
Equipment, Properties and Construction	30.0	22.0	-26.7	20.8	13.9	-33.2
Subsidies	80.1	51.3	-36.0	47.7	19.9	-58.3
Others	68.7	74.7	8.7	31.0	31.9	2.9
Funds and Revolving Funds	53.9	29.5	-45.3	16.3	0.1	-99.4
Central Funded	59.6	61.3	2.9	30.4	34.0	11.8
Total	455.4	406.4	-10.8	231.4	187.1	-19.1
Disbursement rate	44.5	40.6		22.6	18.7	

Hotels and restaurants contracted by 2.8% compared to 5.4% growth in 4Q02 in accordance with the expenditure of domestic and foreign tourists. Although both the government and the private measures promoted tourism, the Iraq War situation and the epidemics of SARS happened about the end of March led to cancel the travel of tourists and business group, hence the number of foreign tourists contracted by 1.6% compared to 10.9% growth in 4Q02.

For private consumption expenditure classified by durability, the expenditure on food expanded by 1.9%, whereas non-durable goods (excluding food) such as beverages, electricity, water supply, pharmaceutical products and household equipments decelerated by 4.6%; semi-durable goods such as clothing, footwear, household utensils and household textile decelerated by 4.4%; durable goods such as vehicles, furniture, large electrical appliances, computers, radios and televisions continually increased by 26.9% while the expenditure on services such as hotel and restaurants, recreation and entertainment, education, medical care and net tourists expenditure decelerated by 5.9%.

Private Consumption Expenditure Growth Classified by Durable Appearance (%)

	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
Private Consumption Expenditure	4.7	3.7	3.9	5.2	6.0	6.5
Food	2.2	2.2	2.9	2.5	1.4	1.9
Non-durable goods (excluding food)	2.9	3.3	1.6	2.0	4.8	4.6
Semi-durable goods	3.6	1.4	2.4	5.5	4.9	4.4
Durable goods	16.5	9.9	18.6	20.5	16.7	26.9
Services	5.0	4.4	2.9	5.1	7.5	5.9

Government consumption expenditure (GCE)

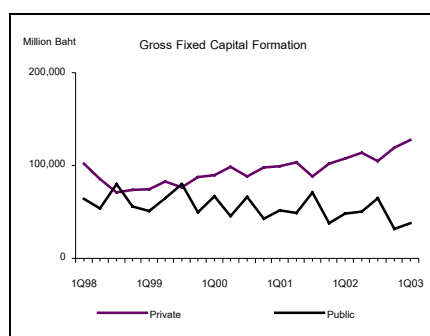
Since the first quarter of fiscal year 2003 (4Q02), the disbursement continued to decline at the rate of 10.8% compared to the same period previous year due to the bureaucratic reform or government restructuring. In 1Q03, the disbursement declined by 19.1%, with the disbursement rate of 18.7% lower than 22.1% same period previous year. This was the result of lower government expenditures spending in remuneration, service other than personal and supplies, equipment, properties and construction, and subsidies. Thus, GCE at current price was recorded at Baht 147,818 million, decreased by 3.3% whereas net purchases from enterprises and abroad was Baht 33,990 million, decreased by 16.0%. However, compensation of employee was Baht 113,828 million, increased by 1.2%.

Nevertheless, GCE decreased by 6.1% in real term. This was a result of a decrease in purchase from enterprises and abroad by 17.6% whereas compensation of employees dropped by 0.2%.

Gross fixed capital formation (GFCF)

GFCF increased by 6.6% lower than 7.8% in 4Q02.

*Investment expanded by 6.6%.
Private investment continually
rose by 18.9% while public
investment shrank
by 20.8%*



- **Private investment**, with a share of 77.0%, grew by 18.9%. The construction increased by 16.3% lower than 19.2% in 4Q02 due to the government housing project (Baan Ua Athon) that allow low-income people to purchased house more easily. Thus, it was directly effect to private construction. While private machinery and equipments increased by 19.8% due to a positive sign in office equipment and motor vehicles.
- **Public investment** its share at 23.0%, decreased by 20.8% due to lower disbursement in equipment and construction. Public construction contracted by 19.3% while public machinery and equipments dropped by 25.2%.

Gross Fixed Capital Formation Growth						(%)
	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
Construction	4.4	5.2	17.0	-1.5	-1.4	-4.3
Private	20.1	22.1	18.4	20.8	19.2	16.3
Public	-5.5	-4.4	15.9	-11.8	-19.6	-19.3
Equipments	7.6	1.9	2.3	14.5	12.9	13.8
Private	11.2	4.6	7.5	18.0	16.1	19.8
Public	-9.8	-13.0	-20.2	2.6	-9.4	-25.2
Total GFCF	6.3	3.2	7.5	6.9	7.8	6.6
Private	13.3	8.3	9.9	18.8	16.8	18.9
Public	-6.8	-6.8	2.5	-8.0	-16.6	-20.8

Private construction

Private construction, with a share of 51.2%, grew by 16.3% as a result of the National Housing Authority just launching Baan Ua Athon phase I to the low-income. Thus, some private constructions were postponed. Nevertheless, commercial buildings and industrial factories increased by 25.4%, and 1.2% respectively.

Private Construction Growth						(%)
Building type	2002	2002				2003
		Q1	Q2	Q3	Q4	Q1
Residential	31.6	39.4	32.8	28.2	27.5	21.3
Factory	7.0	16.0	0.3	6.9	5.5	1.2
Commercial	25.5	11.0	24.7	33.3	35.4	25.4
Others	7.1	-8.5	-4.0	1.4	9.8	12.7
Total	20.1	22.1	18.4	20.8	19.2	16.3

Public construction

Public construction contracted by 19.3% due to construction in central and local authorities, with a share of 57.5% of public construction, declined by 31.1%. This was the result of the deceleration of disbursement of investment in government sector. Nevertheless, state enterprises construction, with a share of 42.5%, still increased by 5.1%.

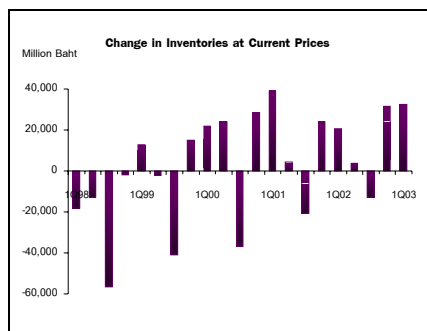
Private machinery and equipments

Private machinery and equipments, with a share of 91.4% of total private investment, increased by 19.8% as a result of expansion in motor vehicles and office equipments by 27.7% and 18.1% respectively. Moreover, machinery continued to increase by 14.2% due to the expansion of imported machinery especially for paper and paper product industry, rubber and plastic industry supported by the Board of Investment.

Public machinery and equipments

Public machinery and equipments dropped by 25.2% as a result of the investment of state enterprises, with a share of 69.1%, contracted by 31.5%. In addition, general government investment, with a share of 30.9%, contracted by 5.9% as a major result of a decrease in office equipments.

Change in Inventories



Change in inventories in 1Q03 valued at Baht 32,418 million, 2.2% share of GDP. This was mainly due to an increase in stock of agricultural products especially the first paddy and second paddy, resulting from government's paddy mortgage scheme in 2003. Furthermore, the stock of manufacturing products increased especially sugar, due to the over supply of sugarcane products and the loss of market share to India in the Indonesian market, the large export market. Beverage stock also increased for coping with Songkran Festival. In addition, the exports of canned seafood, electrical appliances, electrical products and parts, and garment were also dropped down, thus their stock increased.

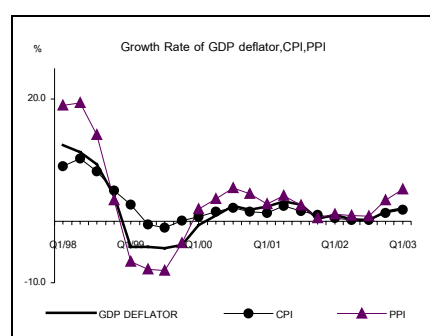
Robust export growth, while risk over tourism industry

Exports and Imports		(Unit : Billions of Baht)					
	2002	2002				2003	
		Q1	Q2	Q3	Q4	Q1	
At current Market Prices							
1. Export Goods	2,871	656	690	749	776	777	
Growth Rate	2.3	(5.2)	(2.6)	4.2	12.8	18.4	
2. Import Goods	2,723	626	664	712	721	730	
Growth Rate	1.0	(9.2)	(3.8)	5.6	12.4	16.6	
3. Trade Balance	149	30	26	38	55	47	
At 1988 Prices							
4. Export Goods	1,670	378	406	439	447	432	
Growth Rate	11.3	3.9	12.9	14.7	13.2	14.3	
5. Import Goods	1,324	300	332	355	337	340	
Growth Rate	11.1	(0.9)	12.9	18.2	14.6	13.7	
6. Exchange Rate (Baht / US \$)	43.0	43.7	42.8	42.1	43.4	42.8	

Source: Bank of Thailand

Current Account Balance

	2002	2002				2003
		1Q	2Q	3Q	4Q	1Q
Value (Billion US\$)	7.7	1.8	1.0	2.0	2.9	2.6
Value (Billion Baht)	331.3	78.6	43.2	85.6	123.8	109.9
Percentage to GDP	6.1	5.9	3.3	6.4	8.7	7.5



External Sectors

Exports

Exports remained the key powerful engine driver of the economy in the first quarter of 2003. It hit the highest level of 18.4% growth for nine straight quarter with Baht 776,660 million. This was chiefly attributed by the expansion of manufacturing products, especially machinery, electrical apparatus, electrical appliances, textile and motor vehicles. The major export markets such as European Union, ASEAN and Japan were all boosted up.

Nevertheless, negative sentiment of the war in Iraq and the epidemics of Severe Acute Respiratory Syndrome (SARS) caused decelerating growth in service receipts that slipped from 10.3% in 4Q02 to 4.9% in 1Q03, the lowest rate over the past five quarter.

Imports

For the first quarter of 2003, imports value; Baht 729,735 million; rose significantly by 16.6% accompanied with an expansion of domestic demand for imported commodities and world oil prices. Major import goods contributed to the ballooning imports were fuel and lubricant, electrical machinery and capital goods.

The services payments, recorded at Baht 101,984 million, increased only by 5.7% over the same period of last year.

Trade and Services Balance

Trade and services balance was Baht 115,175 million surplus, with 19.9% growth, owing to Baht 46,925 million surplus in trade balance, higher than the same period previous year by 55.2%. Whereas services balance, Baht 68,250 million surplus, decelerated by 3.7% compared to 9.9% in 4Q02.

GDP implicit price deflator

The GDP implicit price deflator increased by 2.1% compared to 1.6% in 4Q02. The consumer price index and producer price index rose by 1.9% and 5.3% respectively.

Table 1 Gross Domestic Product (GDP) and Gross National Product (GNP)

Unit : Billions of Baht

	2001p1	2001p				2002p1				2003p1
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GDP Nominal Prices	5,433.3	1,280.7	1,254.9	1,267.6	1,320.2	1,341.8	1,323.8	1,343.4	1,424.3	1,462.5
GDP 1988 Prices	3,224.6	776.5	740.6	743.4	803.2	806.6	778.6	786.1	853.3	860.9
Growth Rate of Real GDP (% y.o.y.)	5.3	1.6	1.9	1.8	2.5	3.9	5.1	5.8	6.2	6.7
GNP Nominal Prices	5,343.8	1,268.2	1,231.6	1,240.4	1,298.2	1,318.2	1,285.9	1,324.7	1,414.9	1,448.8
GNP 1988 Prices	3,192.9	776.2	733.1	733.3	796.0	797.2	761.4	780.5	853.7	857.7
Growth Rate of Real GNP	5.1	2.0	1.8	1.1	2.2	2.7	3.9	6.4	7.3	7.6

p = preliminary based on annual figure

p1 = without annual figure

Table 2 Growth Rate of Real GDP Classified by ISIC (year on year basis)

Unit: Percent

	2002p1	2001p				2002p1				2003p1
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Agriculture	0.5	2.4	1.7	0.5	6.8	2.6	0.7	0.2	-1.2	8.1
Agriculture, Hunting & Forestry	1.4	1.8	2.1	0.2	8.7	4.2	2.5	2.4	-1.8	7.9
Fishing	-4.8	5.9	-0.3	1.9	-4.7	-6.1	-8.5	-8.8	2.9	8.8
Non-Agriculture	5.8	1.5	1.9	1.9	1.9	4.0	5.6	6.2	7.4	6.6
Mining & Quarrying	10.4	-7.2	2.7	4.2	2.7	16.0	8.7	10.1	7.3	6.2
Manufacturing	7.7	1.1	1.7	1.2	1.6	4.2	6.8	9.1	10.5	11.0
Electricity, Gas & Water supply	5.7	6.2	6.0	9.0	4.8	5.9	6.6	3.8	6.5	5.2
Construction	6.0	-6.2	-10.5	5.5	8.4	6.3	20.0	0.0	-0.4	-6.8
Wholesale & Retail Trade, Repairs	2.8	0.7	-0.9	-2.8	-2.0	1.5	1.9	3.9	4.3	4.6
Hotel & Restaurants	4.8	6.6	5.6	3.9	2.5	5.2	3.8	4.3	5.7	-2.6
Transport, Storage & Communication	4.8	5.4	8.2	6.3	6.2	3.4	3.0	4.7	7.8	6.6
Financial Intermediation	4.7	0.2	0.7	1.1	1.7	2.5	2.7	4.6	9.6	7.6
Real Estate, Renting & Business Activities	4.8	1.0	1.9	3.7	2.7	3.9	5.1	5.4	4.9	4.9
Public Administration & Defense etc.	6.7	2.4	1.6	1.0	0.5	7.9	9.8	4.8	4.5	0.5
Education	2.1	-1.4	-0.9	2.0	-1.9	0.8	5.0	1.8	1.1	2.5
Health & Social Work	0.2	3.8	5.0	6.4	6.5	2.6	2.2	2.6	-6.0	-5.1
Other Community, Social & Personal Services	8.3	3.2	3.9	1.7	2.9	5.9	8.5	9.5	9.2	5.2
Private Household with Employed Persons	0.3	-2.6	5.4	3.0	2.6	1.4	-1.5	-0.9	2.5	0.4
GDP	5.3	1.6	1.9	1.8	2.5	3.9	5.1	5.8	6.2	6.7

Table 3 Growth Rate of Real Gross Domestic Expenditure (year on year basis)

Unit: Percent

	2002p1	2001p				2002p1				2003p1
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Private Consumption Expenditure	4.7	4.0	4.2	3.3	3.4	3.7	3.9	5.2	6.0	6.5
Government Consumption Expenditure	0.5	3.9	8.7	3.0	-3.6	8.3	-1.6	-2.8	-1.1	-6.1
Gross Capital Formation	5.1	1.7	-2.5	10.3	-1.4	-4.3	6.8	10.6	9.0	10.0
Gross Fixed Capital Formation	6.3	-3.9	5.9	2.5	-0.7	3.2	7.5	6.9	7.8	6.6
Private	13.3	10.3	4.7	-0.3	4.0	8.3	9.9	18.8	16.8	18.9
Public	-6.8	-22.9	8.3	6.3	-11.5	-6.8	2.5	-8.0	-16.6	-20.8
Change in Inventories	-18.6	57.8	-82.1	43.6	-7.1	-50.0	-34.4	36.0	20.1	52.2
Exports of Goods and Services	10.9	-1.9	-0.5	-8.6	-4.5	5.1	12.2	13.8	12.2	12.0
Goods	11.3	-3.6	-1.8	-10.6	-5.4	3.9	12.9	14.7	13.2	14.3
Services	9.4	5.2	5.2	1.5	-0.9	9.7	9.4	10.3	8.2	3.2
Imports of Goods and Services	11.3	-0.4	-4.1	-10.1	-6.9	1.8	13.3	16.6	13.6	12.0
Goods	11.1	-1.4	-5.6	-10.2	-7.5	-0.9	12.9	18.2	14.6	13.7
Services	12.2	5.8	4.2	-9.5	-3.5	17.0	15.5	8.3	8.6	3.6
Gross Domestic Expenditure	5.1	1.8	4.4	3.5	1.5	4.0	4.6	5.4	6.5	6.9

Table 4 Exports, Imports and Current Accounts (at current market prices)

Unit: Billions of Baht

	2002p1	2001p				2002p1				2546
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Exports of Goods and Services	3,516.9	837.4	844.7	859.8	844.2	818.1	842.3	908.3	948.2	946.9
Rate of Growth (% y.o.y.)	3.9	12.1	14.9	-1.7	-9.3	-2.3	-0.3	5.6	12.3	15.7
Imports of Goods and Services	3,123.6	771.7	781.4	765.2	733.2	722.1	768.0	811.2	822.4	831.7
Rate of Growth (% y.o.y.)	2.4	26.0	19.3	-1.0	-10.8	-6.4	-1.7	6.0	12.2	15.2
Trade and Services Balance	393.3	65.7	63.3	94.6	111.0	96.0	74.3	97.1	125.8	115.2
Percentage to GDP (%)	7.2	5.1	5.0	7.5	8.4	7.2	5.6	7.2	8.8	7.9
Factor Income From Abroad , Net	-89.5	-12.5	-23.3	-27.2	-22.0	-23.6	-37.8	-18.7	-9.4	-13.7
Current Transfers From Abroad , Net	27.5	5.7	5.9	7.1	5.9	6.2	6.7	7.2	7.4	8.4
Current Account Balance	331.3	58.9	45.9	74.5	94.9	78.6	43.2	85.6	123.8	109.9
Percentage to GDP (%)	6.1	4.6	3.7	5.9	7.2	5.9	3.3	6.4	8.7	7.5

Table 5 Growth Rate of GDP Deflator, Consumer Price Index and Producer Price Index (1988 = 100) (year on year basis)

Unit: Percent

	2002p1	2001p				2002p1				2003p1
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
GDP Implicit Price Deflator	0.8	2.4	3.6	3.0	0.1	0.9	0.3	0.2	1.6	2.1
Consumer Price Index	0.6	1.4	2.5	1.7	1.1	0.6	0.2	0.2	1.4	1.9
Producer Price Index	1.7	2.8	4.2	2.6	0.6	1.2	1.0	0.9	3.5	5.3

Table 6 Contribution to Growth of Real GDP (1988 = 100)

Unit: Percent

	2002p1	2001p				2002p1				2003p1
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Demand Side (Expenditure)	5.1	1.8	4.3	3.5	1.5	3.9	4.6	5.5	6.4	6.7
Domestic Demand	3.9	1.6	4.2	2.7	1.3	3.3	3.6	4.1	4.5	4.2
Private Consumption Expenditure	2.6	2.1	2.3	1.8	1.8	2.0	2.2	2.9	3.2	3.4
Government Consumption Expenditure	0.0	0.3	0.8	0.3	-0.3	0.7	-0.2	-0.3	-0.1	-0.6
Gross Fixed Capital Formation	1.2	-0.8	1.2	0.5	-0.1	0.6	1.6	1.5	1.4	1.3
Net Exports	1.4	-1.0	1.7	-0.5	0.3	2.2	1.1	0.8	1.6	1.7
Exports of Goods and Services	6.6	-1.2	-0.3	-6.1	-3.0	3.0	7.4	8.8	7.5	7.1
Imports of Goods and Services	5.2	-0.2	-2.1	-5.5	-3.3	0.8	6.3	8.0	6.0	5.4
Change in Inventories	-0.2	1.2	-1.7	1.3	-0.1	-1.6	-0.1	0.6	0.4	0.8
Supply Side (Production)	5.3	1.6	1.9	1.8	2.5	3.9	5.1	5.8	6.2	6.7
Agriculture	0.0	0.3	0.2	0.0	0.9	0.3	0.1	0.0	-0.2	0.8
Manufacturing	2.8	0.4	0.6	0.4	0.6	1.5	2.5	3.3	3.7	4.0
Construction	0.1	-0.2	-0.3	0.2	0.2	0.2	0.5	0.0	0.0	-0.2
Services and Others	2.3	1.1	1.4	1.1	0.9	1.9	2.1	2.4	2.7	2.1

Note: Total in demand side does not be equal to supply side due to statistical discrepancy

Table 7 Growth Rate of Major Items of Real GDP and GDE, Quarter on Quarter Basis (1988 = 100)
(Seasonally Adjusted Figures)

Unit: Percent

	2002p1	2001p				2002p1				2003p1
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Demand Side (Expenditure)										
Private Consumption Expenditure	4.7	0.8	0.9	0.5	0.9	1.3	1.2	1.7	1.6	1.7
Government Consumption Expenditure	1.0	-0.2	4.1	-3.8	-3.7	13.2	-7.0	-2.9	-3.1	5.7
Gross Fixed Capital Formation	6.4	3.3	-2.4	-0.4	0.9	4.6	2.4	1.2	-1.8	4.4
Supply Side (Production)										
Agriculture	0.6	1.2	2.5	-0.8	3.7	-2.8	0.5	-0.6	1.9	6.1
Manufacturing	7.7	-1.5	0.6	0.4	1.9	1.4	3.0	2.5	3.0	2.1
Construction	5.9	11.2	-10.3	10.4	0.4	5.6	2.6	-8.0	0.5	-1.8
Services and Others	4.5	-0.6	0.7	0.5	0.9	1.5	1.1	1.1	1.5	0.4
Gross Domestic Product	5.3	-0.5	0.6	0.5	1.5	1.1	1.8	1.2	2.1	1.5