



# ผลิตภัณฑ์มวลรวมในประเทศ ไตรมาสที่ 2/2547

## GROSS DOMESTIC PRODUCT: Q2/2004

### GDP QUARTERLY REPORT



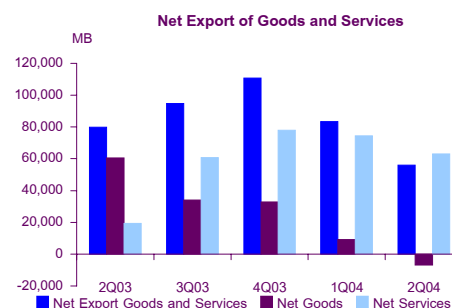
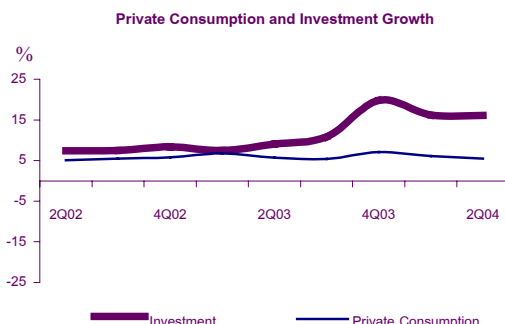
#### HIGHLIGHT OF Q2

##### GDP GROWTH BY SECTOR (YoY)

	2003E	1H03	2H03	1Q04	2Q04	1H04
Agriculture	6.9	7.3	6.5	-2.6	-7.5	-4.8
Non-agriculture	6.7	6.1	7.3	7.7	7.7	7.7
GDP	6.8	6.3	7.2	6.6	6.3	6.4

#### GDP slowed down with pressure on prices.

- GDP in Q2 slowed down with a lower growth rate of 6.3%, compared to 6.6% in Q1. The slower growth was due mainly to the continued spread of Avian Influenza epidemics (Bird Flu) in chicken and the upward adjustment of domestic prices of unleaded gasoline 91 and 95, which affected consumer spending and rises in cost of production as a result of raw materials imports. GDP implicit prices in Q2 surged by 5.1%, compared to 2.4% in Q1. The first half GDP expanded by 6.4%, slightly higher than 6.3% of 1H03.
- GDP in agricultural sector dropped by 7.5% due mainly to reduction of poultry and shrimp production and drought which affected some output of major crops such as second crop of paddy, sugarcane, cassava and maize. With higher prices of major crops, farm incomes in Q2 continued to rise. The expectation of US's imposition of import tariff in shrimp imports as anti-dumping measure also slowed down exports from Thailand.
- Non-agricultural sector was stable as growth continued to surge by 7.7%. Manufacturing sector slowed down by 7.5% compared to 10.3% increase in Q1. The services sector gained from the rebound of number of overseas tourists as compared to 2Q03 when the sector was hard hit by SARS. Manufacturing expanded by 7.5% mainly in raw materials (chemicals, rubber and plastic products, metal and non-metallic), machinery and equipments, electronics, and automobile for exports.

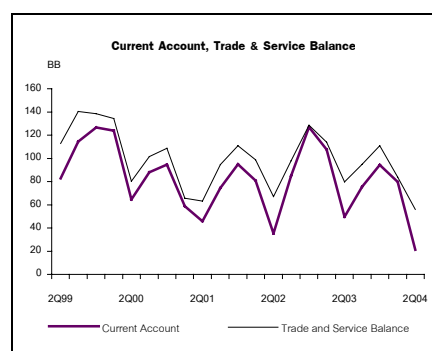
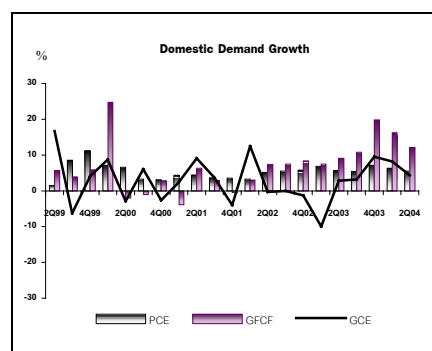
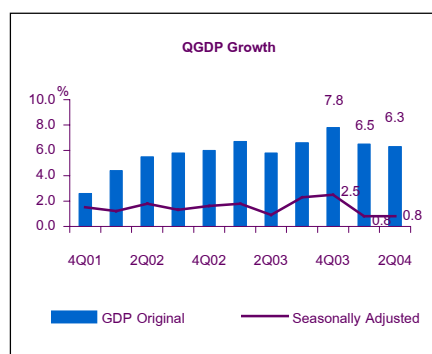


#### Domestic demand slowed down in household consumption and private investment.

- Q2 economic growth was mainly driven by demand from household consumption and private investment despite a lower growth compared to Q1. Household spending increased by 5.5%, lower than Q1 as a result of lifting the ceiling prices of gasoline and food consumption despite increase in nominal income from government salaries on April 1 and continued rising farm incomes. However, increase in overseas tourists, despite Thai resident spending abroad has helped stronger demand in services products especially in hotel and restaurants, traveling, and entertainment.
- Private investment slowed down with a growth of 16.2% as a result of rising cost and shortages of construction materials. Thus, the construction of industrial factories continued to decline except for large-scale commercial buildings. Government current spending increased by 4.3% in purchases of goods and services as a result of mid-year supplementary budget of 135,500 million Baht and government salaries. Public investment also showed a lower growth of 0.3% mainly due to central and local government sectors with the exception of state enterprises.
- External sector showed a sign of improvement in net exports of goods and services with a growth of -13.2% in Q2, in real terms, compared to -15.6% in Q1 as a result of recovery of services incomes from tourism. However, imports of goods significantly increased because of prices of crude oil, raw materials for export industries, and capital goods. The surplus in net services receipts could help maintain current account surplus in Q2.

# GROSS DOMESTIC PRODUCT (GDP) : Q2/2004

*GDP 2Q04 expanded by 6.3% while domestic demand slowed down and net export contracted continually.*



## OUTLOOK: GDP 2Q04 DECELERATED BY 6.3% DUE TO THE AVIAN FLU, THE RISING OIL PRICES.

The overall Thai economy in 2Q04 grew at a considerably slower pace of 6.3%, decelerating from the 6.6% growth rate in the previous quarter. This was partly due to the outbreak of the avian flu, and the risk of rising oil prices. Domestic demand; household consumption, government consumption and investment decelerated by 5.5%, 4.3% and 12.1%, respectively. The net export continued to contract due to decreasing of the export at 41.7% compared to 26.6% in 1Q04. The reduction was caused mostly from higher imports than exports. Most of the imports were capital goods, intermediate products and raw materials, and fuel and lubricant; such as machinery and equipment for industrial use particularly for electrical machinery and apparatus. The net services expanded significantly by 257.6 %, higher than 8.5% in 1Q04.

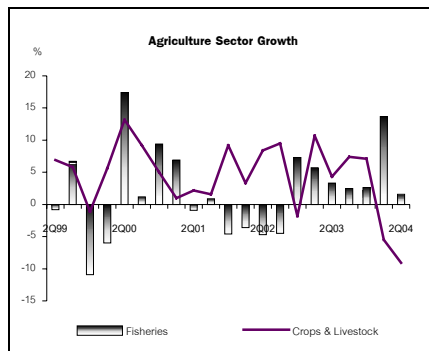
The 6.3 % expansion of production was attributed to performance of the non-agriculture which grew at the same level as the previous quarter by 7.7 %. The major driving sectors were manufacturing, transportation, and hotels and restaurants. In contrast, the agricultural sector continually contracted by 7.5 %, due to the outbreak of avian flu and drought.

Growth Rate of Gross Domestic Product: Q2/2004						(%)	
	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
Agriculture	6.9	10.0	4.2	6.6	6.5	-2.6	-7.5
Non agriculture	6.7	6.3	6.0	6.6	8.0	7.7	7.7
<b>GDP</b>	<b>6.8</b>	<b>6.7</b>	<b>5.8</b>	<b>6.6</b>	<b>7.8</b>	<b>6.6</b>	<b>6.3</b>
<b>GDP (Q/Q)</b> <b>(Seasonally Adjusted)</b>		<b>2.0</b>	<b>0.9</b>	<b>2.3</b>	<b>2.5</b>	<b>0.8</b>	<b>0.8</b>

- GDP in 2Q04 at current market prices was Baht 1,605.7 billion, and Baht 50.5 billion after deducted by net factor income from the rest of the world. The Gross National Product (GNP) was Baht 1,555.2 billion, an expansion of 5.4% in real terms.
- Trade and services balance registered a surplus of Baht 56.0 billion, and after including net factor income and transfer from the rest of the world, recorded a deficit of Baht 34.1 billion. The current account recorded a surplus of Baht 21.9 billion equivalent to 1.4% of GDP compared to 5.3% in the previous quarter.
- The GDP implicit price deflator increased by 5.1% compared to 2.4% in 1Q04. The producer price index and consumer price index grew by 5.6% and 2.6%, respectively.

***Production growth stood at 6.3%, led by 7.7% increase in non-agricultural production, but 7.5% slowdown in agriculture .***

***Agricultural production markedly dropped due to the prolonged effect of Avian Influenza and drought.***



***Manufacturing production decelerated in both raw material, and capital goods and high technology industries whereas light industries contracted.***

## Production

The production slightly decreased from 6.6% in 1Q04 to 6.3% in 2Q04, mainly due to 7.5% decrease in agricultural production. In contrast, the non-agricultural production growth remained, standing at 7.7%, owing to robust growth in other services such as hotels and restaurants; transport, storage and communication; financial intermediation; and service. Growth in the manufacturing sector however, slowed down.

### Agriculture

Agricultural production dropped by 7.5% due to 9.1% decrease in crops and livestock production. Growth in the fishery sector rose by merely 1.6%. However, implicit price deflator of agricultural sector continued to increase by 17.1%.

- **Crops** dropped by 7.4% due to the prolonged effect of drought on major crops, namely second crop paddy, cassava, sugarcane and maize. However, the supply of rubber in the market increased as well as fruits.
- **Livestock** continued to drop by 19.3% in 2Q04, compared to the drop of 27.5% in 1Q04 mainly due to the prolonged effects of Avian Influenza, resulting to the decrease in poultry and hen's egg supply. However, swine products increased due to higher demands.
- **Fishing** rose marginally by only 1.6%, owing to a decrease in exported frozen shrimps, resulting from being pending of anti-dumping measures from the United States.
- **Implicit price deflator of agricultural sector** continued to increase by 17.1% mainly led by major agricultural products such as paddy, maize, rubber, and oil palm. Livestock prices increased, especially swine and hen's egg because of higher demands for substitutes for chicken due to consumers' in anxiety over Avian Influenza epidemic. Hen's egg price was very high as a result of fewer number of mother hens. Prices in the fishery sector also declined due to reduction in exports of fresh shrimps.

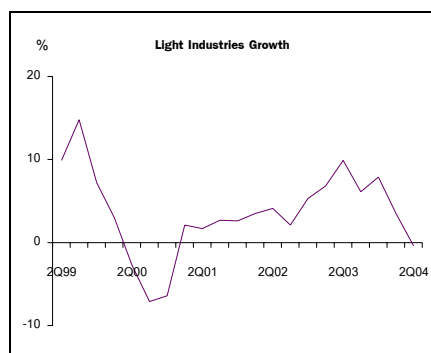
### Manufacturing

Manufacturing decelerated from 10.3% in 1Q04 to 7.5% in 2Q04 mainly due to slowdown productions in both raw material, and capital goods and high technology industries. Growth in the light industries also contracted.

# Manufacturing Sector Growth

(%)

Industrial types	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
Light Industries	7.6	6.8	9.9	6.1	7.8	3.5	-0.4
Raw material	6.5	8.8	5.4	4.5	7.4	8.7	8.3
Capital goods and high tech.	16.9	17.2	17.6	15.8	17.0	20.9	16.0
<b>Total</b>	<b>10.3</b>	<b>10.3</b>	<b>11.1</b>	<b>8.9</b>	<b>10.9</b>	<b>10.3</b>	<b>7.5</b>

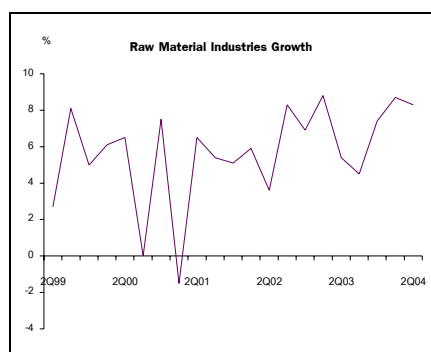


**Light industries:** contracted by 0.4%, resulting mainly from the performance of the food industry sector.

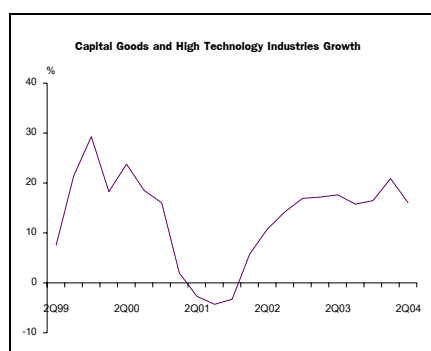
- **Food and beverages** decelerated by 4.9%, affected by anti dumping measures of shrimp exports to the United States. Furthermore, sugarcane supply in 2Q04 decreased due to over-supply of sugarcane in 2Q03.
- **Leather and leather products** contracted by 5.8%, resulting from a significant decrease in exports by 29.1%.

**Raw material industries** slowed down slightly from 8.7% in 1Q04 to 8.3% in 2Q04. Growth industries were:

- **Chemical and chemical products** grew by 11.8% due to increase of petrochemical industry, especially polymer of ethylene, propylene, etc. in primary form which were induced by high demands from the world market, particularly from China.
- **Rubber and plastic** grew by 11.4% due to the continuous increase of automobile and motorcycle tire production.
- **Petroleum refinery** increased by 7.4% in line with high domestic demands, especially for diesel oil.

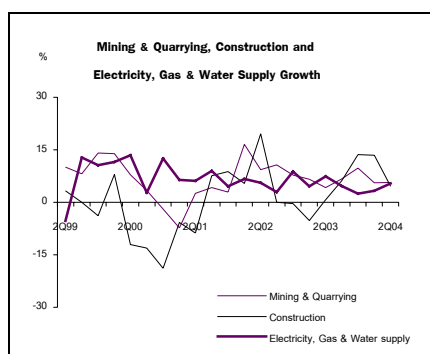


**Capital goods and high technology industries** were the major drivers of growth in the manufacturing sector. It grew by 16.0%, compared to 20.9% in 1Q04. High growth sectors were:



- **Machinery and equipment** increased by 20.0% owing to higher production of electrical appliance for households such as air conditioners due to high export demand.
- **Electrical machinery and apparatus** rose by 27.9% to support the increase of export on integrated circuits.
- **Motor vehicles** decreased from 28.9% in 1Q04 to 26.4% in 2Q04, especially production for domestic market. However, production for exports grew significantly by 45.5%.

*High electricity consumption in large scale industries but decelerated in medium scale ones.*



**Electricity, gas and water supply** increased by 5.4%, compared to 3.3% in 1Q04. Electricity, which accounted for 86.5% of the value of the sector, expanded by 4.7%. This was consistent with the 7.7% increase of electricity demand; particularly the large scale industries which accounted for 40.0% of total electricity demand, grew by 12.7%. In contrast, electricity consumption of households rose by 5.7%. That of Medium scale industries increased by 2.3%. Water supply grew by 11.0% while gas refinery increased merely by 3.3% in line with the slowdown in natural gas production.

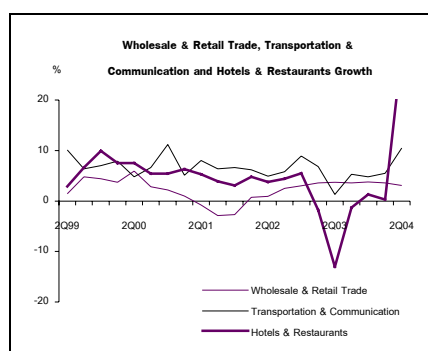
Electricity Consumption Growth		(%)					
	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
Residential	6.2	6.7	7.0	5.7	5.5	5.1	5.7
Ratio	22.4	21.6	23.8	22.3	21.7	21.1	23.4
Small Ent.	6.1	7.4	6.1	5.4	5.6	5.1	5.4
Ratio	9.9	9.8	10.3	9.9	9.8	9.6	10.1
Medium Ent.	4.9	4.8	2.8	4.9	7.1	3.1	2.3
Ratio	19.2	19.2	18.8	19.4	19.5	18.4	17.8
Large Ent.	8.4	9.5	8.1	6.6	9.5	12.6	12.7
Ratio	39.5	40.1	38.2	39.5	40.4	42.0	40.0
Special Ent.	1.8	5.8	-1.3	0.6	2.4	4.1	9.2
Ratio	3.1	3.2	3.1	3.0	3.1	3.1	3.1
Public Sector	1.8	3.3	1.9	4.1	-2.1	4.3	5.4
Ratio	3.6	3.4	3.5	3.8	3.4	3.3	3.4
Others	34.4	97.6	37.8	30.4	-0.9	2.9	2.7
Ratio	2.3	2.6	2.2	2.1	2.2	2.5	2.1
<b>Total</b>	<b>7.0</b>	<b>8.7</b>	<b>6.6</b>	<b>6.1</b>	<b>6.9</b>	<b>7.6</b>	<b>7.7</b>

Sources : MEA and PEA

***Non-metallic mineral production increased, whereas stone quarrying and crude oil production slowed down.***

***Construction expanded by merely 4.6% due to deceleration in private construction and decrease in public construction.***

***Transportation and communication expanded in both transports and telecommunication.***



**Mining and quarrying** increased by 5.7%, higher than 5.6% in 1Q04 this was due to the 17.6% growth in mineral production, namely limestone for industrial use and granite which rose by 21.6% and 39.9% respectively. Lignite and stone quarrying rose by 12.6% and 8.3% respectively due to deceleration in construction. Natural gas and liquid natural gas grew by 3.3% and 6.6% respectively. Whereas, crude oil production decreased by 17.3% resulting from dropping of production from Benjamas, Sirikit, Platong, Surat, and Yala fields because of temporary close for maintenance.

**Construction** expanded by 4.6%. The private construction expanded by 15.6% which was a slower pace of growth than in the previous quarter, due to residential construction which slowed down in response to the increase in construction materials prices, especially metal; wood and wood products. Public construction decreased by 5.4% owing to 10.9% decline of both central government and local authority construction.

**Transportation and communication** increased by 10.5%, a higher rate than 5.5% in 1Q04. The transports services grew by 10.5%, mainly attributed to the performance of the air transportation sector particularly with a 39.2% growth by Thai Airways International Public Company Limited. Furthermore, telecommunication services increased by 10.4% owing to increase in communication services.

Selected Transport and Communication Items Growth		(%)					
	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
<b>Transport</b>	<b>-1.1</b>	<b>1.7</b>	<b>-8.3</b>	<b>-1.6</b>	<b>3.6</b>	<b>3.0</b>	<b>10.5</b>
Land Transport	2.8	1.8	5.9	-0.6	4.2	0.3	-4.6
Passenger	0.2	-5.2	1.7	1.6	2.6	3.7	4.1
Cargo	5.0	7.6	9.2	-2.3	5.6	-2.2	-10.9
<b>Telecommunication</b>							
Local Calls	9.1	7.6	8.6	10.9	9.1	3.4	-2.7
Long Distance Calls	12.2	16.8	13.1	9.7	9.6	9.0	8.8

Sources: TOT Corporation PCL

*Hotel businesses showed favorable growth due to a marked increase in the number of foreign tourists.*

**Wholesale and retail trade** slightly decelerated by 3.1% compared to 3.6% in 1Q04 reflecting in part the declining performance of agricultural and industrial trade which were both hit by continual high prices of fuel affecting domestic demand.

**Hotels and restaurants** markedly increased by 29.7% compared to 0.3% in 1Q04. The 17.8% increase in restaurant services in particular mainly resulted from high domestic demands for consumption. Hotel services increased significantly by 74.8%, the high rise being mainly due to a large number of foreign tourists which increased by 88.1% from the same period of previous year when the tourism sector was hard hit by SARS. The much improved performance was due to the effective domestic tourism promotion measures to attract the foreign tourists after bird flu epidemic in previous quarter.

<b>Number of Foreign Tourists</b>		<b>(1000 Persons)</b>					
	<b>2003</b>	<b>2003</b>				<b>2004</b>	
		<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>
Asian	6,063	1,624	836	1,743	1,860	1,572	1,386
European	2,319	803	343	414	759	902	795
American	611	183	97	123	208	220	194
Others	1,012	240	173	302	297	281	248
<b>Total</b>	<b>10,005</b>	<b>2,850</b>	<b>1,449</b>	<b>2,582</b>	<b>3,124</b>	<b>2,975</b>	<b>2,623</b>
Included Thais	10,082	2,868	1,467	2,602	3,145	2,995	2,759
Growth Rate (YoY)	-7.3	-1.7	-40.1	0.6	7.6	4.4	88.1

Sources : Tourism Authority of Thailand

Remark: 2Q04 estimated by NESDB

*Commercial banks showed good performance.*

**Financial intermediation** expanded by 16.3%, which was a higher rate than 11.7% in 1Q04. Commercial banks exhibited good performance attributed to an increase in net interest receipt, which continued to expand more compared to previous year. Furthermore, service charges and fees of commercial banks increased as did the net insurance receipt of life insurance and non-life insurance companies. In addition, the Government Saving Bank still showed better performance owing to an increase in government's scheme loans.

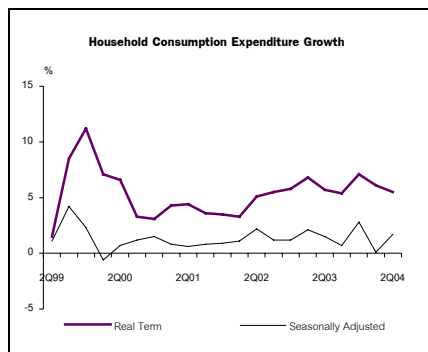
*Other services' growth rose as a result of higher revenue from government lottery, special lottery and advertisement.*

#### **Other services**

- Overall other services grew by 6.1%. Government lottery and special lottery increased by 23.0%. Moreover, the government lottery earned Baht 2,690 million in this quarter, Baht 6,356 million sales minus winning prizes.
- Radio and television businesses continuously increased by 13.9% due to improved economic conditions.



*The rising crude oil price in the world market caused the deceleration of household consumption expenditure by 5.5%.*



Consumer Confidence Index (CCI)

	2003				2004	
	Q1	Q2	Q3	Q4	Q1	Q2
CCI	98.7	92.3	92.1	100.4	109.9	107.5
Growth Rate	17.3	21.7	10.8	13.3	23.6	16.5

Source : The Center of Economic and Business Forecasting, UTCC

Credit card data

	2546				2547	
	Q1	Q2	Q3	Q4	Q1	Q2
Domestic usage	323	78	72	80	92	91
Abroad usage	18	4	3	5	5	6
Cash advance	79	19	20	20	21	24
<b>Total</b>	<b>420</b>	<b>101</b>	<b>96</b>	<b>104</b>	<b>118</b>	<b>120</b>
<b>Growth (YoY)</b>	<b>n.a</b>	<b>n.a</b>	<b>n.a</b>	<b>n.a</b>	<b>25.6</b>	<b>18.5</b>

Source: Bank of Thailand

## Advertising Revenues

(Million baht)

	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
Television	47,978	10,781	12,183	11,757	13,257	13,232	14,269
Radio	5,235	1,172	1,353	1,290	1,420	1,262	1,542
Others	17,005	3,728	3,971	4,245	5,061	4,773	5,376
<b>Total</b>	<b>70,218</b>	<b>15,681</b>	<b>17,507</b>	<b>17,292</b>	<b>19,738</b>	<b>19,267</b>	<b>21,187</b>
Growth Y-o-Y	14.4	14.1	11.7	13.4	17.9	22.9	21.0

Source : Media Data Resources Co., Ltd.

## Expenditure

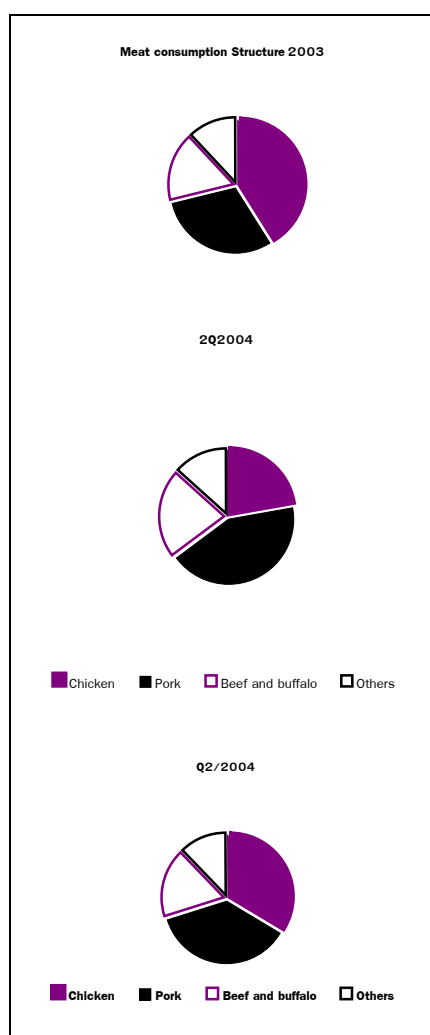
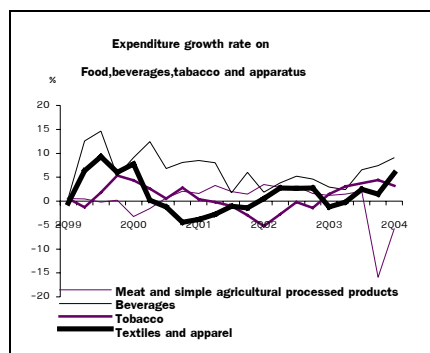
### Household consumption expenditure

- Household consumption expenditure decelerated by 5.5%, compared to 6.1% in 1Q04 and the seasonally adjusted value increased at the rate of 1.7%.
- There were supporting factors to stimulate consumption such as increases in official salaries and farm income, low interest rate, high expansion of personal loans of commercial banks and other financial institutions, and a decrease in an anxiety about Avian Influenza.
- Nevertheless, the unrest in the south and the rising oil retail prices in benzene octane 91 and 95 following the increasing crude oil price in the world market led to a decrease in consumers' confidence and a deceleration in consumption expenditure especially motor vehicles, poultry and poultry's products.
- Excluding expenditure of residents abroad and non-residents in the country, household consumption expenditure grew by 5.9%, at the same rate of previous quarter.

### Household Consumption Expenditure Growth (%)

	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
PCE in domestic market	5.2	5.6	3.5	4.6	7.0	5.5	9.4
less : expenditure of non-residents in the country	-5.6	-2.0	-27.9	-3.1	6.4	2.2	62.9
<b>PCE excluding expenditure of non-residents in the country</b>	<b>6.4</b>	<b>6.5</b>	<b>6.5</b>	<b>5.5</b>	<b>7.1</b>	<b>5.9</b>	<b>5.9</b>
plus : expenditure of residents abroad	2.1	14.6	-13.2	5.4	6.8	10.6	-6.2
<b>PCE</b>	<b>6.3</b>	<b>6.8</b>	<b>5.7</b>	<b>5.4</b>	<b>7.1</b>	<b>6.1</b>	<b>5.5</b>





## Expenditure classified by section

**Agriculture** increased by 3.3% due to the 4.4% expansion of vegetables and fruits sectors and the 7.9% expansion of fishery products, while hen's egg and duck's egg contracted by 7.6% in line with the overall declining performance of supplies of agricultural production.

**Food, beverages, tobacco and textiles** expanded by 4.3% owing to the consumption of dairy products, alcoholic and non-alcoholic beverage, tobacco and apparel increasing by 7.7%, 9.1%, 3.2% and 5.9%, respectively. Nevertheless, the consumption of meat and simple agricultural processing product still decreased by 5.7% owing to the remaining consumers' anxiety over Avian Influenza and the resultant decrease in supply of poultry in the market.

**Electricity, gas and water supply** rose by 6.1%, compared to 5.0% in 1Q04 due to the growth of water consumption by 10.5%, while electricity consumption decelerated by 4.4% as a result of a government's campaign on energy saving.

**Transport equipments** grew by 20.4%, decelerating from 21.8% in 1Q04 as a result of the continually rising oil prices especially benzene 91 and 95. One other influencing factor was consumers' anticipation of a reduction in excise tax rates on small engine vehicles according to government's measures to save energy and entrepreneurs' plan to launch new models in the post half year. People therefore delayed purchasing new cars in order to benefit from the lower tax rates and have a more variety of choices which caused a deceleration in sales volume of personal cars by 18.3% and new registered motorcycles by 21.0%.

## Transport Equipment Sales

	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
Personal car (units)	179,418	44,010	42,365	42,139	50,904	52,512	50,125
Percentage change	42.0	80.0	27.2	23.6	47.6	19.3	18.3
Commercial car (units)	354,037	75,181	84,952	90,839	103,065	95,073	100,941
Percentage change	25.1	27.0	31.3	25.1	19.1	26.5	18.8
Motorcycle (thousand units)	1,687	449	433	386	419	507	494
Percentage change	28.2	56.5	53.3	13.8	2.8	13.0	14.2

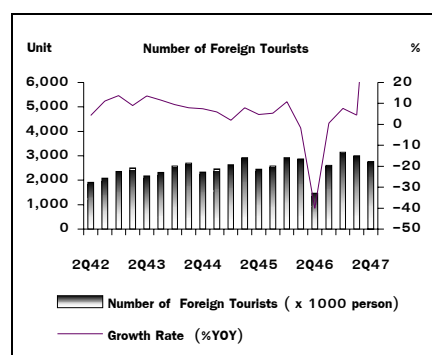
Sources : Thailand Automotive Institute and the Bank of Thailand

**Transport and communication services** markedly increased by 13.6%, compared to 6.5% in 1Q04 owing to 14.2% and 12.5% increase of transportation and telecommunication services, respectively. This was a result of continual competitive strategies such as 1 baht per 1 minute calling-rate, low value of refill card in prepaid system and lump sum service fee promotion in postpaid system.

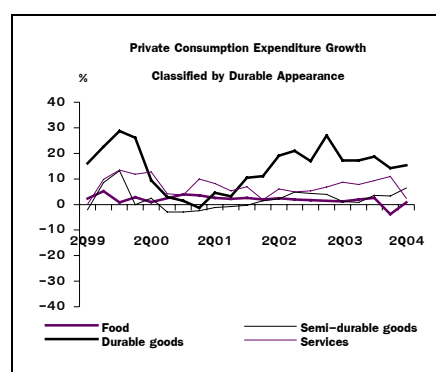
# Fuel Quantity and retail prices

	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
Quantity (Million litre)							
Diesel (HSD)	17,450.5	4,302.7	4,387.8	4,205.1	4,554.9	4,832.5	4,717.2
(%YOY)	9.3	7.8	9.0	7.9	12.7	12.3	7.5
Diesel (LSD)	99.4	24.7	23.4	27.0	24.3	26.2	28.9
(%YOY)	-11.9	-17.7	-18.5	-1.8	-9.0	6.1	23.5
Benzine (91)	4,550.3	1,122.6	1,138.2	1,118.8	1,170.7	1,157.9	1,189.6
(%YOY)	4.9	7.4	5.6	5.0	2.0	3.1	4.5
Benzine (95)	3,085.0	751.9	766.7	760.2	806.2	804.8	812.0
(%YOY)	3.4	3.1	4.5	1.9	4.0	7.0	5.9
Price (Baht/litre)							
Diesel (HSD)	13.9	14.8	13.8	13.4	13.8	14.6	14.6
(%YOY)	8.9	24.2	4.3	1.7	-2.3	-1.3	5.4
Diesel (LSD)	13.7	14.4	13.6	13.2	13.5	14.4	14.4
(%YOY)	4.2	23.2	5.4	1.9	-2.6	-0.2	5.6
Benzine (91)	15.5	15.9	15.2	15.7	15.4	16.2	16.8
(%YOY)	8.6	21.2	2.6	9.2	3.7	1.8	10.5
Benzine (95)	16.5	16.9	16.2	16.7	16.3	17.0	17.6
(%YOY)	8.1	19.7	2.4	9.0	2.8	0.5	8.6
Crude Oil Price (US\$/BBL)							
	28.0	29.9	25.5	27.7	29.0	31.3	34.8
(%YOY)	14.6	45.7	2.5	5.8	10.4	4.6	36.7
Source : PTT PCL - EPPO							

Source : PTT PCL., EPPO



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



Sources : Tourism Authority of Thailand  
Remark : 2Q04 estimated by NESDB

# Subscribers of Telephone Numbers

(End of period)	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
<b>Basic telephone (thousand units)</b>	6,305	6,564	6,555	6,118	6,305	6,349	6,387
<b>Population to registered number</b>	10.2	9.7	9.8	10.5	10.2	10.1	10.1
<b>Mobile phone (thousand units)</b>	22,194	18,883	19,672	20,988	22,194	23,696	25,030
Prepaid System	17,854	14,744	15,835	16,845	17,854	19,089	20,496
Postpaid System	4,340	4,139	3,837	4,143	4,340	4,607	4,534
<b>Structure</b>	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Prepaid System	80.4	78.1	80.5	80.8	80.4	80.6	81.9
Postpaid System	19.6	21.9	19.5	19.2	19.6	19.4	18.1
<b>Population to registered number</b>	2.9	3.4	3.3	3.1	2.9	2.7	2.6

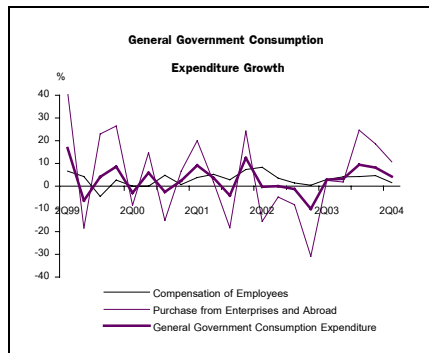
Sources : TOT Corporation PCL, and the Communications Authority of Thailand

**Hotels and restaurants** grew by 29.5% owing to the 76.0% rise in expenditure for hotel services in line with the increase in both domestic and foreign tourists expenditure. The number of foreign tourists surged up by 88.1%. This was a result of the cooperation of private and public sector to activate foreign tourists to travel to Thailand and also encourage Thai people to travel in the domestic country; and a low base effect of SARS in the same quarter of last year, decelerating by 40.4%. Expenditure for restaurant services increased by 18.3% due to an increase in consumers' confidence to dine out after the spread of Avian Influenza was brought under control.

Disaggregation of consumers' expenditure by durable and non-durable goods, the expenditure on food grew by 0.8%; non-durable goods (excluding food) such as beverage, electricity and water supply, medicine and household utensils rose by 7.4%; semi-durable goods consisting of clothing, footwear and household equipments increased by 6.4%; durable goods such as vehicles, furniture, electrical appliances, computers, radios and televisions expanded by 15.3%; and expenditure on services comprising hotels and restaurants, recreation and entertainment, education, remedy and net tourists expenditure decelerated by 2.5%.

# Private Consumption Expenditure Growth Classified by Durable Appearance (%)

	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
<b>Private Consumption Expenditure</b>	6.3	6.8	5.7	5.4	7.1	6.1	5.5
Food	1.8	1.5	1.2	1.9	2.5	-3.8	0.8
Other than food	7.4	8.3	6.8	6.4	8.2	8.7	6.6
Non-durable products (excluding food)	4.7	5.3	3.9	3.6	5.8	7.0	7.4
Semi-durable products	2.4	4.0	1.2	0.8	3.5	3.3	6.4
Durable products	19.8	26.9	17.2	17.2	18.7	14.2	15.3
Services	8.2	6.8	8.7	7.9	9.3	10.9	2.5



### Government consumption expenditure (GCE)

- In the late of 1Q04, the government approved an increase of Baht 135,500 million to the current budget for fiscal year 2004. The increment was for supporting various policy measures and human recourse development, government remuneration, in order to boost the country's competitiveness and sustainable development. Thus, the budget for fiscal year 2004 included the extra sum provided increased by 16.4%.
- In 2Q04, the disbursement increased by 9.0% as a result of increasing of wages and salaries referred to the supplementary budget. However, the government consumption expenditure was recorded at Baht 182,028 million, an increase of 19.1%. Compensation of employees was Baht 140,991 million, increased by 21.3% due to a pay rise for government officers. Whereas, net purchases from enterprise and aboard which was Baht 41,037 million, increased by 12.3%.
- Nevertheless, GCE increased by 4.3% in real terms. This was a result of an increased in compensation of employee and net purchase from enterprises and aboard by 1.5% and 10.7% respectively.

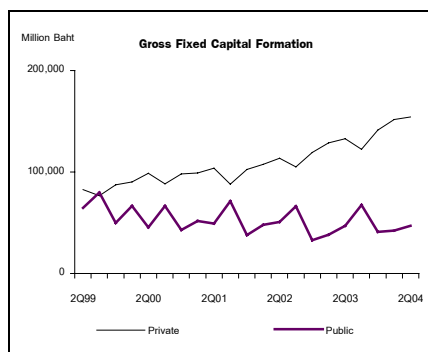
### Disburse of government budget

(Baht in Billion)

Objects of Expenditures (Baht in Billion)	Since the 1 <sup>st</sup> Quarter of FY			Apr. – Jun.		
	2003	2004	%Δ	2003	2004	%Δ
Wages and Salaries	218.6	233.1	6.6	74.2	82.5	11.2
Remuneration and Utilities	41.0	41.7	1.6	17.8	16.3	-8.3
Equipment and Construction	43.0	40.6	-5.5	21.0	22.3	6.2
Subsidies	85.7	105.9	23.5	34.4	34.1	-0.7
Others	116.1	127.6	9.9	41.4	45.2	9.1
Funds and Revolving Funds	59.1	62.0	4.8	29.7	13.7	-53.9
Central Funded	86.3	150.0	73.7	25.0	51.3	105.1
<b>Total</b>	<b>649.9</b>	<b>760.8</b>	<b>17.1</b>	<b>243.5</b>	<b>265.4</b>	<b>9.0</b>
Disbursement rate (%)	65.0	65.4		24.3	22.8	

Source: Ministry of Finance

*Investment expanded by 12.1%.  
Decelerated in both Privates and  
Publics.*



### Gross fixed capital formation (GFCF)

GFCF continued to increase but by a lower rate of 12.1% compared to 16.2% in 1Q04.

- **Private investment**, increased by 16.2% lower than 17.8% in 1Q04 due to a decelerated investment in both construction and equipments. This was partly due to rises in prices of materials and supplies. Moreover, factory construction continued to decline from the previous quarter.
- **Public investment**, decelerated by 0.3% lower than 10.8% in 1Q04, due to a lower growth rate of government investment in both central and local authorities, reduced by 3.5%. However, which of state enterprises investments increased by a higher rate of 4.6% than 2.5% in 1Q04.

Gross Fixed Capital Formation Growth						(%)	
	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
<b>Construction</b>	<b>5.1</b>	<b>-4.4</b>	<b>1.8</b>	<b>7.9</b>	<b>16.9</b>	<b>15.0</b>	<b>5.3</b>
Private	18.1	16.3	15.2	20.1	20.7	18.9	17.5
Public	-5.2	-19.7	-8.6	0.2	12.0	10.7	-6.6
<b>Equipments</b>	<b>15.9</b>	<b>15.3</b>	<b>13.8</b>	<b>13.1</b>	<b>21.2</b>	<b>16.9</b>	<b>15.9</b>
Private	17.8	21.0	17.3	15.2	17.8	17.4	15.8
Public	4.8	-21.5	-6.1	5.2	49.2	11.2	16.6
<b>Total GFCF</b>	<b>11.7</b>	<b>7.5</b>	<b>9.1</b>	<b>10.8</b>	<b>19.8</b>	<b>16.2</b>	<b>12.1</b>
Private	17.9	19.8	16.8	16.5	18.5	17.8	16.2
Public	-2.3	-20.2	-7.9	1.7	24.3	10.8	0.3

### Private construction

Private construction grew by 17.5%. It was a result of expansion of residential construction, which increased by 23.6%. This was a lower rate of increase than the recorded growth of 26.5% in 1Q04 due to a price rise of supply especially iron, wood and wood product, as well as the slow down in factory construction which declined by 5.6%. Commercial building construction, however continued to increase by 24.9% boosted by the overall expansion of the economy.

### Public construction

Public construction dropped by 6.6%. It was a result of a 13.1% decline of government construction in both central and local authorities, due to a slow down in various projects in the planned transfer official duties to local level. However, state enterprises construction still increased steadily by 4.8% due to the construction in “Baan Ua Athon” Project and Suwannaphoom International Airport.

### Private machinery and equipments

Private machinery and equipments increased by 15.8 %. This was a result of an increasing in machinery by 16.3% especially machineries for paper and printing products, and rubber and plastic products. Investment in office equipment decelerated however, by 5.3% whereas motor vehicle was stable.

### Public machinery and equipments

Public machinery and equipments increased by a higher rate of 16.6% than 11.2% in 1Q04. This was as a result of the expansion in investments in equipments in both central and local authorities by 50.0% and 44.4% respectively. Additionally, the state enterprise investment increased by 4.5% after a decline of 0.1% in 1Q04.

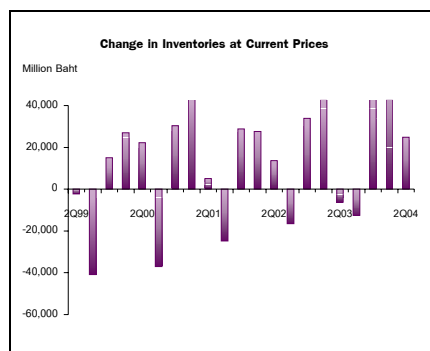
#### Private Construction Growth

(%)	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
Residential	20.8	21.3	17.2	23.8	21.0	26.5	23.6
Factory	1.9	1.2	4.4	1.4	0.8	-2.6	-5.6
Commercial	30.7	25.4	26.5	37.9	32.6	21.4	24.9
Others	20.7	14.5	14.5	20.6	33.8	15.3	14.9
<b>Total</b>	<b>18.1</b>	<b>16.3</b>	<b>15.2</b>	<b>20.1</b>	<b>20.7</b>	<b>18.9</b>	<b>17.5</b>

#### Imported commercial aircraft

	2000	2001	2002	2003	2004
Unit	8	2	-	2	-
Value (MB)	45,455	15,868	-	12,222	-

Source: Thai Airways International Public Company Limited



### Trade balance deficit while robust export growth.

Exports and Imports		(Unit : Billions of Baht)					
	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
<b>At current Market Prices</b>							
1. Export Goods	3,246	777	796	814	860	860	942
Growth Rate	13.2	18.8	15.3	8.8	10.8	10.8	18.4
2. Import Goods	3,072	730	735	780	827	851	949
Growth Rate	12.9	16.7	10.6	9.8	14.9	16.6	29.1
3. Trade Balance	174	47	60	34	33	9	-7
<b>At 1988 Prices</b>							
4. Export Goods	1,833	435	449	464	484	463	478
Growth Rate	8.8	14.6	9.5	4.3	7.8	6.4	6.4
5. Import Goods	1,466	346	350	376	394	397	420
Growth Rate	8.8	13.2	3.3	4.1	15.3	14.9	20.0
6. Exchange Rate (Baht / US \$)	41.5	42.8	42.2	41.3	39.8	39.2	40.3

Source: Bank of Thailand

Current Account Balance		(at current market price)					
	2003	2003				2004	
		Q1	Q2	Q3	Q4	Q1	Q2
Current Account	7.9	2.5	1.2	1.8	2.4	2.1	0.5
Billions of US \$							
Current Account	327.2	107.5	49.7	75.5	94.4	84.0	21.9
Billions of Baht							
Percentage to GDP	5.5	7.3	3.5	5.1	6.0	5.3	1.4

Source: Bank of Thailand

## Change in inventories

**Change in inventories** in 2Q04 decreased from Baht 58,199 million in 1Q04 to Baht 24,866 million due to overall lower production in the Thai economy. The major increase in stocks were mainly from the manufacturing sector, such as the build-up of stocks of construction materials as a result of lower demands during the long Song-kran festival holidays and the low intensity of construction work during to wet season. The stocks of electronic goods expanded in response to the higher demand from the external markets. Moreover, the stocks of automobiles increased owing to public anticipation of a reduction in excise tax rate on vehicles that caused lower sales volume from consumer delay to purchase a new car in this quarter. Stock in some production sectors however, declined such as petrochemical stocks which dropped because of the higher demand from China likewise sugar stock also decreased in line with lower supply from major sugar producing countries.

## External Sectors

### Exports

**Merchandise exports** sustained a remarkable growth of 18.4%, surging up to Baht 942,011 million, reflecting both expansion in export markets and positive impacts of the Baht depreciation against the US Dollar. Among the main contributors to high export growth, the major markets such as ASEAN and the recently upturn economies, the European Union and Japan, remained the dominant markets with 20.2%, 16.1% and 15.1% increase respectively. The non-traditional markets such as the Middle East and South Asia also grew up briskly. The fastest growing export categories were rice, tapioca, vehicles, base metal product, rubber and electrical appliances.

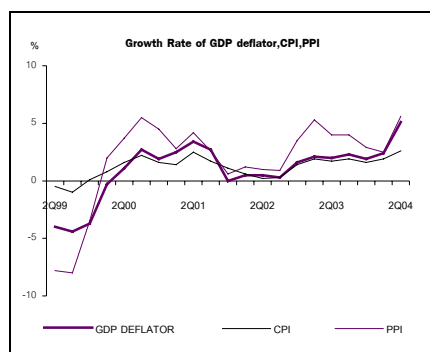
**Services receipts** posted at Baht 172,191 million, expanded markedly 40.9%. The revival of tourism boosted travel receipts which rose by 65.2% in line with 56.9% picked up in hotel occupancy rates, from the much lower base the previous year due to the repercussions of SARS.

### Imports

**Merchandise imports** rose at a robust rate of 29.1%, and accounted for Baht 948,948 million the major underlying factor was the rise in the value of imported . oil price of 81.9% and paralleled with rise in demand for imported capital goods, intermediate products and raw materials. Crude oil, integrated circuit, base metal product, electrical machinery and parts, and jewelry continued to be the major import commodities.

**Services payments** registered at Baht 109,221 million, grew by 6.1%. Major contributors were the 17.2% increase in transportation payments as well as 299.9% increase in construction service payments.

### Current account balance and exchange rate



Trade balance firstly moved into a deficit position with Baht 6,937 million after economic crisis in the past 7 years. The strong rise in export was offset by a rapid growth of import, so that trade balance was negative. Service balance surplus on the other hand totalled at Baht 62,970 million, a significant increase of 226.7%. The value of the current account surplus was down to only Baht 21,870 million, a reduction of 56.0%. As for currency position, the Baht depreciated against the US dollar at 40.3 Baht per US dollar on average, a decline of 2.7% compared to the previous quarter.

### GDP implicit price deflator

The GDP implicit price deflator increased by 5.1% in 2Q04. Consumer price index and producer price index rose by 2.6% and 5.6%, respectively.

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

Unit : Billions of Baht

	2003p1	2003p1						2004p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
GDP Nominal Prices (Billions of Baht)	5,938.9	1,465.5	1,437.3	2,902.7	1,469.5	1,566.6	3,036.1	1,598.6	1,605.7	3,204.3
GDP 1988 Prices (Billions of Baht)	3,457.7	865.6	829.3	1,695.0	841.6	921.1	1,762.7	922.5	881.5	1,804.0
Growth Rate of Real GDP (% y.o.y.)	6.8	6.7	5.8	6.3	6.6	7.8	7.2	6.6	6.3	6.4
GNP Nominal Prices (Billions of Baht)	5,834.3	1,451.5	1,400.7	2,852.1	1,442.2	1,540.0	2,982.1	1,587.7	1,555.2	3,142.9
GNP 1988 Prices (Billions of Baht)	3,415.5	862.1	813.5	1,675.6	830.0	909.9	1,739.9	920.9	857.8	1,778.7
Growth Rate of Real GNP (% y.o.y.)	6.5	7.5	6.1	6.8	5.8	6.4	6.1	6.8	5.4	6.2

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

	2003p1	2003p1						2004p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
<b>Agriculture</b>	<b>6.9</b>	<b>10.0</b>	<b>4.2</b>	<b>7.3</b>	<b>6.6</b>	<b>6.5</b>	<b>6.5</b>	<b>-2.6</b>	<b>-7.5</b>	<b>-4.8</b>
Agriculture, Hunting & Forestry	7.5	10.7	4.3	7.7	7.4	7.1	7.2	-5.5	-9.1	-7.1
Fishing	3.6	5.7	3.3	4.6	2.5	2.6	2.6	13.7	1.6	8.2
<b>Non-Agriculture</b>	<b>6.7</b>	<b>6.3</b>	<b>6.0</b>	<b>6.1</b>	<b>6.6</b>	<b>8.0</b>	<b>7.3</b>	<b>7.7</b>	<b>7.7</b>	<b>7.7</b>
Mining & Quarrying	6.8	6.6	4.2	5.4	6.7	9.8	8.2	5.6	5.7	5.6
Manufacturing	10.3	10.3	11.1	10.7	8.9	10.9	9.9	10.3	7.5	8.9
Electricity, Gas & Water supply	4.7	4.6	7.4	6.1	4.7	2.0	3.3	3.3	5.4	4.4
Construction	3.4	-5.2	0.7	-2.2	6.1	13.6	9.0	13.4	4.6	8.7
Wholesale & Retail Trade, Repairs	3.7	3.6	3.7	3.6	3.6	3.8	3.7	3.6	3.1	3.4
Hotel & Restaurants	-3.5	-1.8	-13.0	-7.1	-1.3	1.3	0.1	0.3	29.7	13.3
Transport, Storage & Communication	4.6	6.8	1.3	4.1	5.3	4.8	5.0	5.5	10.5	7.9
Financial Intermediation	12.4	9.3	10.1	9.7	12.7	17.8	15.0	11.7	16.3	14.1
Real Estate, Renting & Business Activities	5.5	4.9	4.9	4.9	4.9	7.4	6.2	6.5	9.3	7.9
Public Administration & Defense etc.	5.0	1.2	3.5	2.3	8.4	7.3	7.8	4.4	0.0	2.2
Education	2.2	2.7	5.1	3.9	0.3	0.8	0.5	3.5	2.7	3.1
Health & Social Work	-1.3	-5.6	-4.4	-5.0	1.0	3.3	2.1	7.4	5.3	6.4
Other Community, Social & Personal Services	11.3	5.3	4.9	5.1	12.6	21.8	17.3	23.9	15.3	19.6
Private Household with Employed Persons	3.0	0.4	3.2	1.8	4.5	4.0	4.3	3.2	4.1	3.6
<b>GDP</b>	<b>6.8</b>	<b>6.7</b>	<b>5.8</b>	<b>6.3</b>	<b>6.6</b>	<b>7.8</b>	<b>7.2</b>	<b>6.6</b>	<b>6.3</b>	<b>6.4</b>



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

Unit: Percent

	2003p1	2003p1						2004p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
Private Consumption Expenditure	6.3	6.8	5.7	6.2	5.4	7.1	6.3	6.1	5.5	5.8
Government Consumption Expenditure	1.1	-10.0	2.8	-3.8	3.2	9.5	6.0	8.2	4.3	6.2
Gross Capital Formation	12.4	10.3	2.2	6.2	15.3	22.1	18.9	21.9	20.9	21.4
Gross Fixed Capital Formation	11.7	7.5	9.1	8.3	10.8	19.8	15.0	16.2	12.1	14.1
Private	17.9	19.8	16.8	18.3	16.5	18.5	17.6	17.8	16.2	17.0
Public	-2.3	-20.2	-7.9	-13.8	1.7	24.3	9.2	10.8	0.3	5.0
Change in Inventories	25.3	32.6	-145.0	-18.8	46.0	37.4	133.2	59.6	432.5	138.5
Exports of Goods and Services	6.6	12.1	4.3	8.1	3.7	6.6	5.2	6.1	11.1	8.6
Goods	8.8	14.6	9.5	12.0	4.3	7.8	6.1	6.4	6.4	6.4
Services	-2.8	2.9	-19.1	-7.4	1.0	1.7	1.4	4.8	39.9	19.1
Imports of Goods and Services	7.5	12.4	2.0	6.9	3.7	12.5	8.0	12.9	17.6	15.3
Goods	8.8	13.2	3.3	8.0	4.1	15.3	9.6	14.9	20.0	17.5
Services	0.7	8.6	-4.9	1.6	1.3	-1.4	-0.1	2.5	4.2	3.3
<b>Gross Domestic Expenditure</b>	<b>6.7</b>	<b>6.6</b>	<b>5.7</b>	<b>6.1</b>	<b>6.9</b>	<b>7.4</b>	<b>7.2</b>	<b>6.5</b>	<b>6.2</b>	<b>6.3</b>

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

Unit: Billions of Baht

	2003p1	2003p1						2004p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
Exports of Goods and Services	3,899	951	918	1,869	983	1,047	2,030	1,046	1,114	2,161
Rate of Growth ( % y.o.y.)	10.6	16.0	9.6	12.7	7.8	9.4	8.6	10.0	21.4	15.6
Imports of Goods and Services	3,500	837	838	1,675	888	936	1,824	963	1,058	2,021
Rate of Growth ( % y.o.y.)	11.7	16.0	8.8	12.3	9.1	13.0	11.1	15.0	26.3	20.7
<b>Trade and Services Balance</b>	<b>399</b>	<b>114</b>	<b>80</b>	<b>194</b>	<b>95</b>	<b>111</b>	<b>206</b>	<b>83</b>	<b>56</b>	<b>139</b>
<b>Percentage to GDP (%)</b>	<b>6.7</b>	<b>7.8</b>	<b>5.5</b>	<b>6.7</b>	<b>6.4</b>	<b>7.1</b>	<b>6.8</b>	<b>5.2</b>	<b>3.5</b>	<b>4.4</b>
Factor Income From Abroad , Net	-105	-14	-37	-51	-27	-27	-54	-11	-51	-61
Current Transfers From Abroad , Net	33	8	7	14	8	10	18	11	16	28
<b>Current Account Balance</b>	<b>327</b>	<b>108</b>	<b>50</b>	<b>157</b>	<b>76</b>	<b>94</b>	<b>170</b>	<b>84</b>	<b>22</b>	<b>106</b>
<b>Percentage to GDP (%)</b>	<b>5.5</b>	<b>7.3</b>	<b>3.5</b>	<b>5.4</b>	<b>5.1</b>	<b>6.0</b>	<b>5.6</b>	<b>5.3</b>	<b>1.4</b>	<b>3.3</b>

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

Unit: Percent

	2003p1	2003p1						2004p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
GDP Implicit Price Deflator	2.0	2.1	2.0	2.0	2.3	1.9	2.1	2.4	5.1	3.7
Consumer Price Index	1.8	1.9	1.7	1.8	1.9	1.6	1.7	1.9	2.6	2.2
Producer Price Index	4.0	5.3	4.0	4.6	4.0	2.9	3.4	2.5	5.6	4.1

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

Unit: Percent

	2003p1	2003p1						2004p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
<b>Demand Side (Expenditure)</b>	<b>6.6</b>	<b>6.5</b>	<b>5.6</b>	<b>6.1</b>	<b>7.0</b>	<b>7.4</b>	<b>7.2</b>	<b>6.4</b>	<b>6.2</b>	<b>6.3</b>
Domestic Demand	5.8	4.1	5.4	4.7	5.7	8.0	6.9	7.0	6.1	6.5
Private Consumption Expenditure	3.4	3.6	3.2	3.4	3.0	3.8	3.4	3.2	3.1	3.2
Government Consumption Expenditure	0.1	-0.9	0.3	-0.3	0.3	0.7	0.5	0.6	0.4	0.5
Gross Fixed Capital Formation	2.3	1.4	1.9	1.7	2.3	3.5	3.0	3.1	2.6	2.9
Net Exports	0.5	1.6	1.7	1.7	0.6	-1.7	-0.6	-2.3	-1.7	-2.1
Exports of Goods and Services	4.2	7.2	2.7	5.0	2.6	4.3	3.5	3.8	7.0	5.4
Imports of Goods and Services	3.7	5.6	1.0	3.4	2.0	6.0	4.1	6.2	8.8	7.4
Change in Inventories	0.3	0.8	-1.4	-0.3	0.7	1.0	0.9	1.7	1.8	1.8
<b>Supply Side (Production)</b>	<b>6.8</b>	<b>6.7</b>	<b>5.8</b>	<b>6.3</b>	<b>6.6</b>	<b>7.8</b>	<b>7.2</b>	<b>6.6</b>	<b>6.3</b>	<b>6.4</b>
Agriculture	0.7	1.0	0.4	0.7	0.5	0.8	0.7	-0.3	-0.7	-0.5
Manufacturing	3.8	3.7	4.0	3.9	3.3	4.0	3.7	3.9	2.9	3.4
Construction	0.1	-0.1	0.0	-0.1	0.2	0.3	0.2	0.3	0.1	0.2
Services and Others	2.2	2.0	1.4	1.7	2.5	2.8	2.7	2.7	4.0	3.3

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

	2003	2003p1						2004p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
<b>Demand Side (Expenditure)</b>										
Private Consumption Expenditure	6.4	1.3	2.3	3.2	0.4	2.9	3.0	0.1	1.7	2.4
Government Consumption Expenditure	0.6	2.9	4.2	2.6	0.8	2.9	4.4	0.5	-0.3	1.8
Gross Fixed Capital Formation	11.7	4.4	3.1	5.3	5.5	4.7	9.7	1.8	-0.3	3.9
<b>Supply Side (Production)</b>										
Agriculture	6.7	5.9	0.3	4.7	3.2	-2.9	1.8	-3.0	-4.8	-6.8
Manufacturing	10.3	2.6	2.7	5.3	1.1	4.0	4.5	2.1	0.2	4.2
Construction	3.5	0.4	5.5	2.8	1.5	5.5	7.1	0.5	-3.1	1.5
Services and Others	4.3	0.7	-0.2	1.2	3.1	2.0	4.0	0.5	2.4	2.7
<b>Gross Domestic Product</b>	<b>6.7</b>	<b>1.9</b>	<b>1.1</b>	<b>3.1</b>	<b>2.3</b>	<b>2.3</b>	<b>4.0</b>	<b>0.8</b>	<b>0.8</b>	<b>2.3</b>