

Executive Summary Capital Stock of Thailand in 2025

Overview

1. Gross Capital Stock

In 2025, Thailand's gross capital stock at current replacement cost amounted to 70,757,246 million baht, equivalent to 3.7 times the gross domestic product at current prices.

In real terms, gross capital stock increased by 2.3%, accelerating from 0.8% growth in 2024. This was driven by an expansion in investment across all production sectors, particularly the industrial sector, supported by continued expansion in investment in industrial plant construction and increased imports of capital goods.

1.1 Gross Capital Stock classified by institutions

The private sector accounted for 69.3% of total gross capital stock and increased by 2.0%, accelerating from 0.6% growth in the previous year. Meanwhile, the public sector owned 30.7% of total gross capital stock and increased by 2.9%, continuing its growth from 1.4% in the previous year.

1.2 Gross Capital Stock classified by economic activities

1) **Agricultural sector:** At current replacement cost, gross capital stock in the agricultural sector stood at 5,755,753 million baht, increasing by 3.1%, up from 2.6% growth in 2024. In real terms, gross capital stock in the agricultural sector rose by 3.6%, improving from 1.7% growth in the previous year. This growth was largely driven by an increase in capital accumulation in the public sector, particularly investment in irrigation system construction.

2) **Non-agricultural sector:** The gross capital stock in the non-agricultural sector at current replacement cost was valued at 65,001,494 million baht, grew by 1.9%, following 2.1% growth in the previous year. In real terms, gross capital stock increased by 2.2%, accelerating from 0.7% growth in 2024, which propelled by increasing capital assets in both the industrial and service sectors.

- **Industrial sector:** The gross capital stock in the industrial sector totalled 20,270,899 million baht at current replacement cost, increasing by 3.3%, up from 2.7% growth in 2024. In real terms, gross capital stock rose by 4.0%, accelerating from 1.0% growth in the previous year. The increase was primarily attributable to the investment in industrial plant construction and imports of capital goods, specifically higher investment by the private sector in industrial machinery. In addition, increased public-sector investment in construction also contributed to this improvement, which included many construction projects such as electricity distribution systems and pipeline systems.

- **Service sector:** The gross capital stock in the service sector was recorded at 44,730,594 million baht, increasing by 1.3%, slowing from 1.8% growth in the previous year. In real terms, gross capital stock increased by 1.4%, accelerating from 0.6% growth in the previous year. This growth was contributed by capital accumulation in major production sectors, such as financial and insurance activities; professional, scientific and technical activities; and information and communication activities, where investment in computers, software, and computer servers increased. Additionally, other production sectors, such as transportation and storage as well as wholesale and retail trade, also recorded higher in capital accumulation.

2. Net Capital Stock

Net capital stock at current replacement cost stood at 42,156,606 million baht, increasing by 1.8%, following growth of 1.6% in 2024. The ratio of net capital stock to gross domestic product at current prices was 2.2 times, unchanged from the previous year. In real terms, net capital stock increased by 2.0%, accelerating from growth of 0.4% in the previous year.

2.1 Net Capital Stock classified by institutions

The private sector accounted for 69.6% of total net capital stock and increased by 1.7%, accelerating from 0.1% growth in the previous year. Meanwhile, the public sector held 30.4% of total net capital stock and increased by 2.7%, accelerating from 1.0% growth in the previous year.

2.2 Net Capital Stock classified by economic activities

1) **Agricultural sector:** At current replacement cost, net capital stock in the agricultural sector amounted to 3,356,167 million baht, increasing by 3.3%, accelerating from 1.4% growth in the previous year. In real terms, net capital stock rose by 3.6%, up from 0.2% growth in the previous year.

2) **Non-agricultural sector:** Net capital stock in the non-agricultural sector amounted to 38,800,438 million baht, increasing by 1.7%. In real terms, net capital stock increased by 1.9%, accelerating from 0.4% growth in the previous year. Details of the industrial and service sectors within the non-agricultural sector are as follows:

- **Industrial sector:** Net capital stock was recorded at 11,627,946 million baht, rising by 3.2%, improving from 1.9% growth in the previous year. In real terms, net capital stock increased by 3.8%, accelerating from 0.5% growth in the previous year. The result mainly from capital accumulation in major production sectors, including manufacturing

as well as electricity, gas, steam and air conditioning supply, which grew by 3.1% and 5.0%, respectively, accelerating from 1.0% and 1.7% growth in the previous year, respectively.

- **Service sector:** Net capital stock reached 27,172,493 million baht, increasing by 1.0%, decelerating from 1.5% growth in the previous year. In real terms, net capital stock increased by 1.1%, rising from 0.3% growth in the previous year. This growth was primarily the result of capital accumulation in major production sectors, particularly financial and insurance activities; transportation and storage; and information and communication, where net capital stock in real terms increased by 2.6%, 3.3%, and 2.6%, consecutively, accelerating from 0.6%, 1.1%, and 1.5% growth in 2024, respectively.

3. Depreciation

At current replacement cost, depreciation was valued at 3,222,536 million baht, increasing by 0.7%, slowing from 1.0% growth in 2024. Meanwhile, in real terms, depreciation expanded by 1.6%, accelerating from a decline of 0.2% in the previous year. This was a result of the increases across all production sectors, particularly transportation and storage, manufacturing, and real estate activities.

The ratio of depreciation to gross domestic product at current prices was 17.2%, down from 17.8% in 2024. Meanwhile, the ratio of depreciation to gross fixed capital formation at current prices was 74.9% in 2025, down from 77.7% in the previous year.

4. Capital factor sector analysis and sources of economic growth in 2025

4.1 Incremental Capital Output Ratio: ICOR¹

Overview

In 2025, ICOR was 2.00, meaning that a 2.00-unit increase in capital contributed to a 1-unit increase in gross domestic product (GDP). ICOR by production sector is as follows:

Agriculture sector: ICOR was 3.24, up from 0.40 in 2024. This indicated a decline in capital-use efficiency in the agricultural sector.

Industrial sector: ICOR increased to 21.74 from 1.15 in 2024, reflecting a substantial decline in capital-use efficiency in the industrial sector.

Service sector: ICOR stood at 0.79, compared with 0.21 in 2024. This reflected a decline in capital-use efficiency in the service sector.

¹ $ICOR = \frac{\Delta NK_t}{\Delta GDP_t}$

Over the period covered by the 13th National Economic and Social Development Plan, the average ICOR was 0.99, down from 1.11 during the 12th Plan period. This reflected an improvement in capital-use efficiency across the production sectors.

4.2 Capital Productivity: CP²

Overview

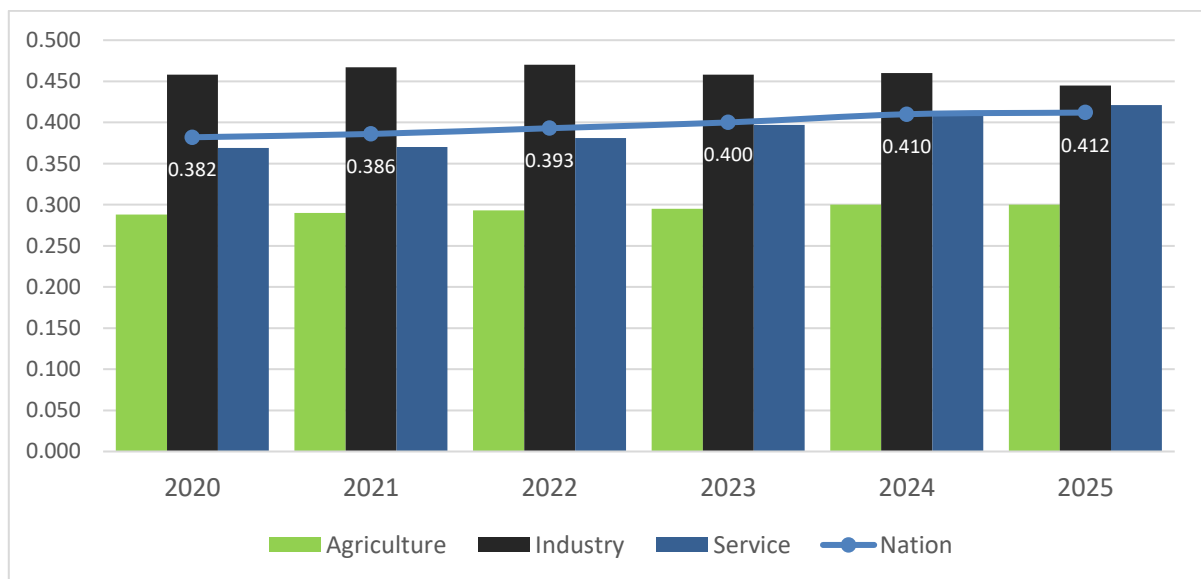
Capital productivity refers to the ratio of capital value that generates gross domestic product (GDP) in each year. In 2025, CP was 0.41, remaining unchanged from the previous year. CP by production sector is as follows:

Agricultural sector: CP was 0.30, remaining at the same level as in 2023. The CP of this sector was the lowest among all production sectors.

Industrial sector: CP stood at 0.44, down from 0.46 in the previous year. Capital productivity in the industrial sector has continued to decline.

Service sector: capital productivity was 0.42, improving from 0.41 in the previous year. Capital productivity in the service sector has shown an upward trend.

Figure 1 Capital Productivity of Thailand, 2020 - 2025



$$^2CP = \frac{\text{GDP}}{\text{Net Capital Stock}}$$

4.3 Total Factor Productivity: TFP

Thailand's economy in 2025 increased by 2.4%, decelerating from 2.9% in 2024. When considering the sources of growth, labor input contributed a decrease of 0.06%, compared with an increase of 0.12% in the previous year; capital input increased by 1.32%, accelerating from 0.25% in the previous year; and TFP increased by 1.18%, slowing from 2.59% in 2024. This means that the contribution of productivity to production decreased compared with the previous year. In addition, the contribution of labor also decreased, following a reduction in the total labor entering the market. Details of TFP by economic activity are as follows:

Agricultural sector: In 2025, the agricultural sector rose by 3.7%, accelerating from 1.9% in 2024. Considering the sources of growth by economic inputs, capital contributed the most, increasing by 2.88%, accelerating from 0.18% growth in 2024. This was particularly attributable to the construction of agricultural infrastructure, such as irrigation systems and dams, as well as agricultural machinery, technology, and intellectual property. Meanwhile, labor input contributed a decrease of 0.28%, continuing from a decrease of 0.29% in the previous year. TFP increased by 1.12%, slowing from 2.05% growth in 2024.

Industrial sector: In 2025, the industrial sector increased by 0.4%, decelerating from 0.9% in 2024. Labor contributed an increase of 0.31%, rising from 0.09% in the previous year. Capital contributed a 2.49% increase, improving from 0.32% growth. Meanwhile, TFP contributed a decrease of 2.42%, compared with an increase of 0.52% in the previous year. The reduction in productivity reflected the inefficient use of technological, intellectual, and managerial resources in the production process.

Service sector: In 2025, the service sector increased by 3.2%, decelerating from 4.1% growth in 2024. Labor input contributed to growth of 0.23%, slowing from 0.62% in the previous year. Meanwhile, capital input contributed to an increase of 0.67%, following 0.21% growth in the previous year. TFP rose by 2.34%, decelerating from 3.27% in the previous year.

Figure 2: Decomposition of economic growth by input factors, 2020 - 2025

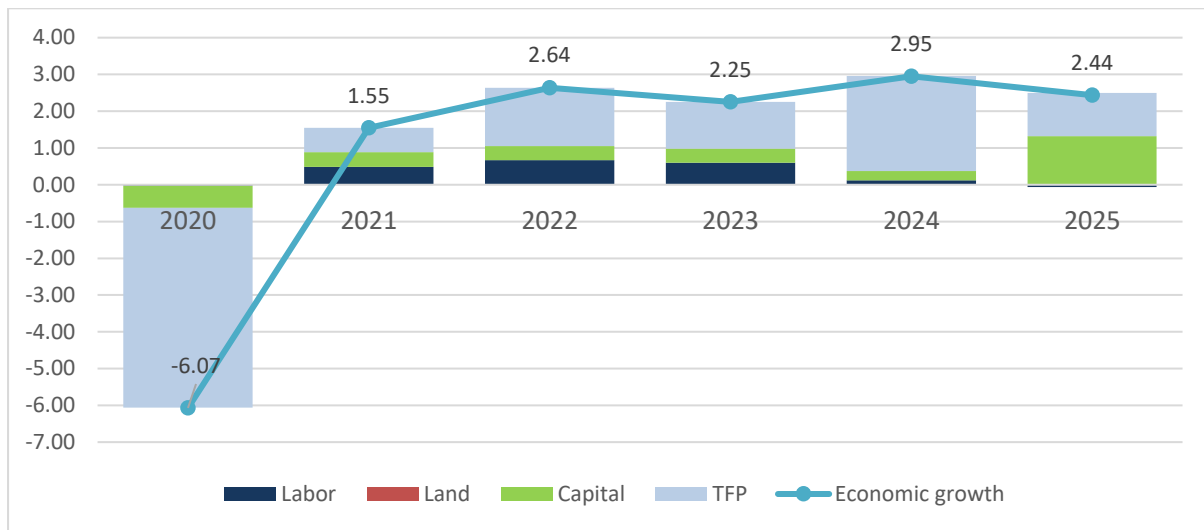


Table 1 Capital factor analysis and sources of economic growth in 2023-2025

Years	Sectors	ICOR*	CP**	GDP Growth	Source of growth			
					Labor	Land	Capital	TFP***
2023	Overall	0.65	0.40	2.25	0.60	0.00	0.38	1.27
	● Agriculture	2.20	0.30	2.39	-0.21	0.00	1.21	1.39
	● Industrial	-1.09	0.46	-1.71	0.61	-	0.58	-2.90
	● Services and others	0.20	0.40	4.43	1.36	-	0.21	2.86
2024	Overall	0.32	0.41	2.95	0.12	0.00	0.25	2.59
	● Agriculture	0.31	0.30	1.94	-0.29	0.00	0.18	2.05
	● Industrial	1.15	0.46	0.93	0.09	-	0.32	0.52
	● Services and others	0.21	0.41	4.10	0.62	-	0.21	3.27
2025	Overall	2.00	0.41	2.44	-0.06	0.00	1.32	1.18
	● Agriculture	1.90	0.30	3.72	-0.28	0.00	2.88	1.12
	● Industrial	21.74	0.44	0.38	0.31	-	2.49	-2.42
	● Services and others	0.79	0.42	3.24	0.23	-	0.67	2.34

*Incremental Capital Output Ratio: ICOR

**Capital Productivity: CP

***Total Factor Productivity: TFP

Summary of Thailand's capital stock

	2020	2021	2022	2023	2024	2025p
1. Growth rate of GDP (%)	-6.1	1.6	2.6	2.2	2.9	2.4
2. Net capital stock at replacement cost (Million Bath)	38,462,472	38,983,988	40,024,432	40,755,320	41,419,375	42,156,606
● Public	11,634,173	11,913,375	12,117,229	12,258,227	12,508,111	12,817,963
● Private	26,828,299	27,070,613	27,907,202	28,497,092	28,911,264	29,338,642
3. Growth rate of Net Capital Stock at CVM (%)	-0.9	0.6	0.6	0.6	0.4	2.0
● Public	2.4	1.7	-0.5	-0.1	1.0	2.7
● Private	-2.3	0.1	1.1	0.9	0.1	1.7
4. Structure of Net Capital Stock (%)						
● Public	30.2	30.6	30.3	30.1	30.2	30.4
● Private	69.8	69.4	69.7	69.9	69.8	69.6
5. Net Capital Stock at Replacement Cost (Million Bath)						
● Agriculture	2,947,371	2,998,248	3,113,276	3,204,868	3,249,282	3,356,167
● Industrial	10,410,381	10,655,809	10,859,047	11,055,988	11,265,727	11,627,946
● Services and others	25,104,720	25,329,931	26,052,109	26,494,463	26,904,366	27,172,493
6. Growth Rate of Net Capital Stock at CVM (%)						
● Agriculture	-1.2	1.4	1.4	1.5	0.2	3.6
● Industrial	-0.2	1.7	-0.1	0.9	0.5	3.8
● Services and others	-1.2	0.1	0.8	0.3	0.3	1.1
7. Incremental Capital Output Ratio: ICOR	0.38	1.03	0.58	0.65	0.32	2.00
8. Capital Productivity: CP	0.38	0.39	0.39	0.40	0.41	0.41
● Agriculture	0.29	0.29	0.29	0.30	0.30	0.30
● Industrial	0.46	0.47	0.47	0.46	0.46	0.44
● Services and others	0.37	0.37	0.38	0.40	0.41	0.42
9. Total Factor Productivity: TFP						
● Agriculture	-2.14	1.09	1.11	1.39	2.05	1.12
● Industrial	-5.01	2.41	0.31	-2.90	0.52	-2.42
● Services and others	-6.18	-0.62	2.17	2.86	3.27	2.34
● Overall	-5.46	0.67	1.59	1.27	2.59	1.18

Source: National Accounts Division, Office of the National Economic and Social Development Council