

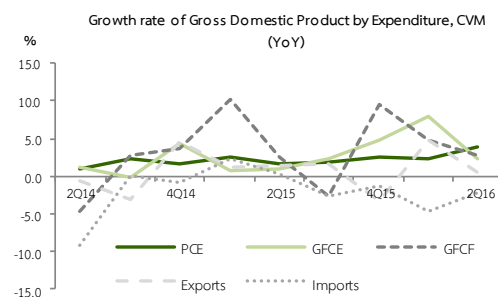
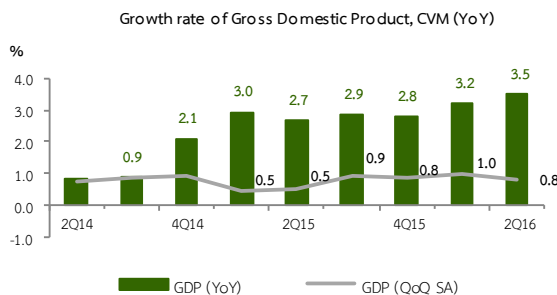


ผลิตภัณฑ์มวลรวมในประเทศ ไตรมาสที่ 2/2559

Gross Domestic Product : Q2/2016

Office of the National Economic and Social Development Board August 15, 2016 9:30 A.M.

Gross Domestic Product in 2016Q2 increased by 3.5%, showing a stronger economic performance than a 3.2% growth in 2016Q1. As a result, the first half of 2016 registered 3.4% growth. On the production side, for agricultural sector, the impact of the drought subsequently eased despite declining in crop production whereas livestock and fishery production expanded. The overall agricultural production still contracted slightly by 0.1%. On the contrary, non-agricultural sector continued to expand by 3.7%, driven mainly by a pickup in manufacturing production with the growth of 2.0% in contrast to a fall of 0.2% in 2016Q1. Meanwhile, service-related sectors were still robustly expanding. On the expenditure side, domestic demand grew significantly, mainly attributed to the strong growth in private consumption, government spending, and gross fixed capital formation by 3.8%, 2.2%, and 2.7%, respectively. For the external sector, net exports increased slightly with 0.6% increase in the volume of exports of goods and services whereas that of imports of goods and services shrank by 2.2%. After seasonal adjustment, Thai economy grew by 0.8% in 2016Q2 (QoQ SA).



Private consumption expenditure expanded by 3.8% compared to a 2.3% growth in 2016Q1. This is mainly contributed by an increase in expenditure on durable and semi-durable goods. In particular, new vehicle purchase by household significantly picked up by a 13.1% growth compared to a 2.4% contraction in the previous quarter. Rising demand for vehicle was driven by the new car launches and the ongoing incentive promotion campaign, together with higher farm income from both crops and fishery as well as fiscal stimulus package during the Songkran festival.

General government consumption expenditure expanded by 2.2%, decelerating from an 8.0% growth in 2016Q1. In total government consumption, compensation of employees and purchases of goods and services slowed down, social transfers in kind contracted whereas consumption of fixed capital increased by 2.3%.

Gross fixed capital formation rose by 2.7% showing a slower pace from a 4.9% growth in 2016Q1. While public investment surged significantly by 10.4%, private investment grew only by 0.1% in 2016Q2, notably slowed down from a 2.7% expansion in 2016Q1.

Changes in inventories at current market prices decreased with the value of Baht 131.3 billion as inventories ran down in some agricultural and manufacturing products together with gold.

Trade and service balance at current market prices recorded a surplus of Baht 434.1 billion, sourced by the surplus of both trade and service with the value of Baht 344.1 billion and Baht 90.0 billion, respectively.

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Detailed quarterly GDP statistics are available on <http://www.nesdb.go.th>

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Revisions Q2/2016

Revisions made on the Gross Domestic Product estimation in Q2/2016

The office of National Economic and Social Development Board has improved the compilation method of gross domestic product in both nominal and real terms. The revision is done on the whole series tracing back to the first quarter of 1993, both for production and expenditure sides. This updated series is congruent with the annual national income CVM series that was revised and published in February, 2012. Important advancement on this series includes adding important economic activities, updating indicators, and upgrading compilation method in accordance to the most recent international framework of System of National Accounts. In particular, the chained index method, i.e. Chain Volume Measures (CVM), is used for the compilation of QGDP in real terms instead of the previous method that used fixed base year.

The estimation of QGDP real terms in CVM uses annual overlap technique to link yearly indexes with year 2002 as the reference year. The new time series is released covering from the Q1/1993 to Q2/2016 in the NESDB website.

(Additional details on the improvement and statistical tables of the new series is available at www.nesdb.go.th)

QGDP compilation of Q2/2016 is continual from the new CVM series. Compilation of values in real terms using CVM used the latest data from data sources. Important revisions on Q1/2016 include:

1. Updating agricultural data on the farming areas and agricultural output prediction in Q1/2016 according to the latest forecast by the Ministry of Agricultural and Agricultural Cooperation.
2. Updating Manufacturing Production Index data according to the latest report as of June 2016 by the Office of Industrial Economics.
3. Updating import and export of goods and services data in the first quarter of 2016 according to the latest data as of July 2016 by the Bank of Thailand. Import values are also updated to use f.o.b. (free-on-board) values.

Detailed statistical tables are not presented in this document and can be found at www.nesdb.go.th

The NESDB would like to express its gratitude to all the government agencies, and private institutions that have provided needed data, especially those who have spent much of the time and effort in providing high quality data in timely manners. The NESDB looks forward to continuing close cooperation with related agencies to produce and develop high quality data made available to the public.

The Office of the National Economic and Social Development Board

Gross Domestic Product Second Quarter 2016

The economy in the 2016Q2 performed better, reflecting by a higher rate of 3.5% than a 3.2% growth in 2016Q1. Consequently, the Thai economic growth in the first half of 2016 expanded by 3.4%, higher than a 2.8% growth over the same period last year. The main engines of growth were the expansion of non-agricultural production, especially service-related sectors. The manufacturing sector turned to grow positively from a contraction in the previous quarter. In the meantime, the agricultural sector remained in a slight contraction as crops yields reduced by the drought. Nevertheless, fishery and livestock production increased favorably.

Production Side

Agricultural production contracted 0.1%, relatively improved from a contraction of 1.4% in 2016Q1. The dominant source of growth was an expansion of fishery production by 13.2% from a surge in overseas demand and the outbreaks of disease in shrimp among competitor countries. Likewise, livestock production still expanded. Even though, the production of agriculture, hunting and forestry declined by 1.2% due to a reduction in yields of major crops, namely paddy, sugarcane, maize, rubber, and oil palm. Overall agricultural commodity prices rose by 3.2%.

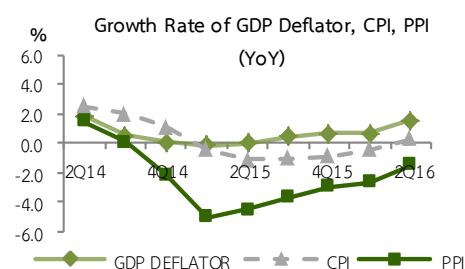
Non-agricultural sector continued to grow by 3.7%, the same rate as in 2016Q1. Production in manufacturing sector rebounded while service-related sectors still revealed further expansion. These specific services sectors that performed faster growing were wholesale-retail trade, hotels and restaurants, and financial intermediation. Seasonal adjusted GDP increased by 0.8% in 2016Q2, compared to a 1.0% growth in 2016Q1.

Real GDP Growth Rates (%)

	2015p1	2015p1				2016p1	
		Q1	Q2	Q3	Q4	Q1r	Q2
GDP (YoY)	2.8	3.0	2.7	2.9	2.8	3.2	3.5
Agriculture	-3.8	-4.6	-4.1	-5.5	-2.1	-1.4	-0.1
Non-agriculture	3.6	3.9	3.2	3.2	4.0	3.7	3.7
GDP (QoQ Seasonally Adjusted)		0.5	0.5	0.9	0.8	1.0	0.8

Gross domestic product at current prices totaled Baht 3,469.7 billion. After deducting Baht 202.9 billion deficit on net primary income from abroad, the gross national income (GNI) recorded at Baht 3,266.8 billion.

Price levels: GDP implicit price deflator increased by 1.5%, compared to an increase of 0.6% in 2016Q1. Producer price indices slightly decreased by 1.5% in comparison with a decrease of 2.7% in the previous quarter; while consumer price indices increased by 0.3%, relative to a decrease of 0.5% in 2016Q1.



Expenditure Side

Overall expenditure in 2016Q2 showed significant improvement. Private consumption expenditure was the spectacular driver of growth on demand side, considerably grew by 3.8% at higher rate than 2016Q1. Nonetheless, general government consumption expenditure and gross fixed capital formation grew less than those of 2016Q1. Meanwhile, exports of goods and services expanded by 0.6% owing to the increase in tourism receipts though imports of goods and services dropped by 2.2%.

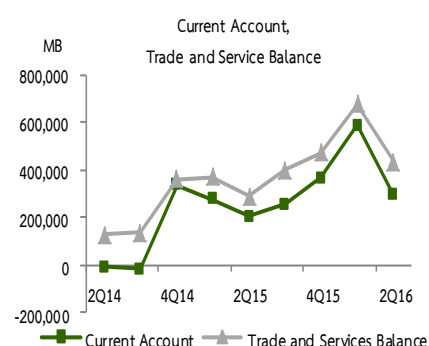
Private consumption expenditure grew by 3.8%, relatively lower than 2.3% in 2016Q1. This was attributed by a significant growth of spending on durable goods, semi-durable goods, and net services. Meanwhile, spending on non-durable grew at slower pace.

General government final consumption expenditure rose by 2.2%, compared to a rise of 8.0% in 2016Q1. The slowdown in public spending was contributed by a 8.0% increase in purchases of goods and services, a 2.1% growth in compensation of employees, and only 2.3% increase in consumption of fixed capital. On the contrary, social transfers in kind in form of goods and services significantly decreased by 11.0%.

Gross fixed capital formation expanded by 2.7%, relatively lower than a 4.9% increase in 2016Q1 as a consequence of 10.4% growth in public investment in comparison to a rise of 13.3% in 2016Q1. Sluggish growth appeared in construction meanwhile machinery investment decreased. In the meantime, private investment increased by 0.1%, a lower rate than 2.1% growth in 2016Q1.

Changes in inventories: Inventories at current prices decreased from 2016Q1 by Baht 131.3 billion mainly contributed from depleted stocks of agricultural products. In particular, paddy stocks also ran down due to off-harvest season. For manufacturing, declining inventories were evidently seen from rubber and plastic products, apparels, and chemicals and chemical products. However, stock of electrical appliances, and fabricated metal products increased. In this quarter, stocks of gold for speculation significantly ran down due to global price hike.

External sector: merchandised trade and services balance recorded a surplus of Baht 434.1 billion. After including net primary income and net secondary income from abroad, current account had a surplus of Baht 295.3 billion.



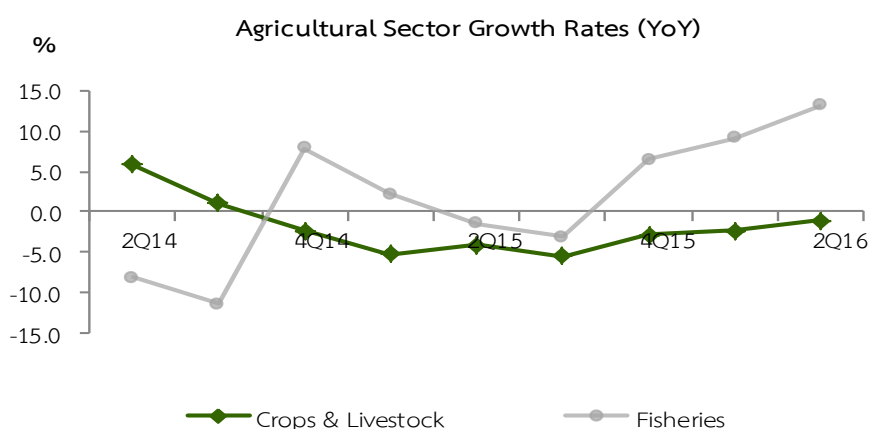
Gross Domestic Product Growth Rates in Real Terms by the Expenditure Approach (YoY) (%)

	2015p1	2015p1				2016p1	
		Q1	Q2	Q3	Q4	Q1	Q2
Private Final Consumption Expenditure	2.1	2.5	1.7	1.8	2.6	2.3	3.8
General Government Final Consumption Expenditure	2.2	0.7	1.0	2.3	4.8	8.0	2.2
Gross fixed capital formation	4.7	10.3	2.6	-2.6	9.4	4.9	2.7
Private	-2.0	3.7	-3.1	-10.1	1.9	2.1	0.1
Public	29.8	36.6	23.2	21.9	41.2	13.3	10.4
Export of goods and services	0.2	1.2	1.5	1.7	-3.3	4.9	0.6
Goods	-3.4	-2.5	-3.9	-1.8	-5.6	1.0	-2.5
Services	14.9	15.4	27.3	16.5	4.9	18.2	12.1
Import of goods and services	-0.4	2.3	0.2	-2.6	-1.2	-4.7	-2.2
Goods	-0.6	3.9	-0.4	-3.3	-2.3	-7.1	-2.7
Services	0.6	-3.2	2.3	0.1	3.4	3.9	-0.7
Gross Domestic Expenditure (GDE)	2.9	2.9	2.6	3.0	3.0	3.4	3.6

PRODUCTION APPROACH

Gross domestic production increased by 3.5%, compared to an increase of 3.2% in the previous quarter. The increase was a result of a 3.7% expansion in non-agricultural production, mainly from the 2.0% rise in manufacturing. Sectors with favorable growth included services sectors, namely wholesale and retail trade, hotels and restaurants, and financial intermediation. On the other hand, the agricultural sector contracted only by 0.1% as the drought was alleviated.

Production grew by 3.5%, driven by continual expansion of the non-agricultural sector, while the agricultural sector still contracted.



Agriculture, hunting and forestry decreased by 1.2%, compared to a fall of 2.4% in the previous quarter. Major crops yields that declined included paddy, sugarcane, maize, rubber, pineapple, fruits, and oil palm as a result of the drought and low level of irrigation water. However, the cassava yield increased owing to the postpone of cultivation in line with the rainfall situation. The production of livestock continued to expand mainly due to the rise in production of swine, chicken, and raw milk.

Fishery expanded by 13.2%, accelerating from 9.1% in the previous quarter. The growth was driven by higher external demand of shrimps together with shrimp outbreak in competitor countries.

The implicit price of agricultural products expanded by 3.2%, as a result of the rise in prices of major crops, namely oil palm, fruits and vegetables. In addition, prices of fishery products also increased.

Manufacturing production increased.

Manufacturing production increased by 2.0%, in contrast to a fall of 0.2% in the previous quarter, as a result of expansion in domestic demand. Major industries with increasing growth was seen from motor vehicles and air-conditioners industries.

◆ **Light industry** increased by 0.3%, as a result of an expansion of tobacco products production in order to maintain their inventories as well as an increase in beer industry.

◆ **Raw material industry** decreased by 0.5%. This was a result of the drop in petroleum refinery production due to their routine maintenance season. On the contrary, the paper and paper products; and chemicals and chemical products industries continued to expand.

◆ **Capital and technology industry** increased by 6.7%, as a result from the acceleration in motor vehicle industry in line with higher production in commercial cars as well as a low base in previous year. In addition, the motorcycle production increased owing to high farm income. Machinery and equipment production, especially air-conditioners and parts, grew significantly in response to high domestic demand and exports to ASEAN countries.

Growth Rates of the Manufacturing Sector (%YoY)

	2015p1	2015p1				2016p1	
		Q1	Q2	Q3	Q4	Q1	Q2
Light industries	0.2	2.7	-2.6	0.4	-0.1	-3.3	0.3
Raw materials	2.8	2.5	4.8	1.7	2.1	3.1	-0.5
Capital goods	0.1	1.2	-2.3	1.0	0.4	0.5	6.7
Total	0.9	2.2	-0.2	1.0	0.8	-0.2	2.0

Production of crude oil slowed down, and natural gas decreased.

Mining and quarrying increased by 1.4%, lower than the previous quarter. This was a result of natural gas and liquefied natural gas production falling by 0.1%, and 5.4%, respectively following production in major fields such as Bongkot, South Bongkot, North Palin, Satun, and Morrakot. Crude oil production grew by 8.1%, lower than 14.8% previously, following production in major fields such as Manora, Pla Muek, Bualuang, Lanta, and Yala.

Electricity, gas and water supply grew by 6.9%, compared to 7.7% previously. This was mainly attributed by the expansion of 7.9% in electricity, as a result of lower demand from all types of users (residential, small, medium, and large enterprises, special units, and NPISHs). Gas separation decreased by 5.2% due to lower gas supply into the plants. However, water supply industry expanded by 4.8% due to the rise in domestic demand.

Electricity production decelerated.

Growth Rates of Electricity Consumption (%YoY)

	2015p1	2015p1				2016p1	
		Q1	Q2	Q3r	Q4	Q1	Q2
Residential	5.9	6.6	3.0	6.3	8.2	11.0	10.3
Small enterprises	5.1	5.8	2.7	5.4	6.8	8.8	7.1
Medium enterprises	3.7	4.3	3.1	3.0	4.6	5.0	3.3
Large enterprises	1.5	3.2	1.4	-0.1	1.7	4.5	4.5
Others	6.3	3.8	4.8	6.6	10.3	6.4	4.7
Total	3.6	4.5	2.4	2.9	4.8	6.6	6.1

Sources : Metropolitan Electricity Authority and Provincial Electricity Authority

Construction increased by 7.5%, compared to an increase of 11.2% in the previous quarter, as a result of sluggish growth in public construction. Such slowdown was seen from the deceleration in government and state enterprise constructions owing to on-going projects and no new projects. In addition, private construction decreased as a result of a fall in residential and commercial buildings construction as a consequence of low level in purchasing power of consumers; high household debt burden; tightening of personal loans by financial institutions, especially in credit limit of less than 3 million baht resulting in low approval rate; and hiking the construction costs.

Construction slowed down.

Land and air transports expanded in slower rate.

Wholesale-retail trades and repairing increased by 5.4%. Trades sector expanded by 5.8%, mainly due to expansion in manufacturing industries, and domestic consumption expenditure. Repairing of motor vehicles rose by 2.3% while repairing of personal and household goods grew by 2.7%.

Transport, storage and communication grew by 4.2%, lower than 5.6% in the previous quarter. Air transports and land transports slowed down by 7.5% and 4.7%, respectively due to lower numbers of tourists. Water transports dropped due to lower exports. However, telecommunication services expanded by 5.3%, according to service providers' performance.

Growth Rates of Transports (%YOY)

	2015p1	2015p1				2016p1	
		Q1	Q2	Q3	Q4	Q1	Q2
Land transport	5.2	6.4	5.7	4.8	3.8	5.3	4.7
Air transport	11.3	10.4	14.2	11.1	9.9	11.5	7.5
Water transport	3.6	9.9	7.3	-1.7	-0.5	0.8	-0.6

Commercial banks growth increased.

Financial intermediation expanded by 4.5%, compared to a rise of 4.3% previously. This was due to a slight increase of commercial banks and the recovery of other depository financial institutions due to high volume of credits and deposits of commercial banks, especially personal loan but commercial loan still contracted. Life and non-life insurance services expanded favorably as a consequence of new variety of life insurance products, more marketing channels in life insurance business, and increasing in car leasing resulting in expansion in non-life insurance.

Real estate services, renting and business services grew by 2.3%, lower than 3.3% previously mainly due to slowdown in real estate services, other business activities, and renting of machinery, equipment, and household goods. Real estate services decelerated by 4.2%, according to a slowdown in real estate brokerages in line with the end of the government's real estate stimulus measure in April. Other business activities grew by 0.2%, decelerated as a result of subdued growth in legal activities, accounting services, market research and public opinion polling, architectural activities, advertising, security and investigation activities, photographic activities, and packaging activities. Renting of machinery, equipment, and household goods slowed down, led by renting of land, water, and air transport equipment, renting of machinery and equipment for construction, and renting of office machinery and equipment. However, computer and related activities services increased favorably.

Hotels and restaurants grew by 12.7% compared to a 15.8% rise in the previous quarter. This was contributed mainly by an 8.2% increase in the number of tourists, lower than a growth of 15.5% previously resulting in tourism receipt slowing down to 14.7%, compared to 21.7% previously. Hotels services increased by 10.1%, slowing down from the previous quarter due to slowdown in the number of tourists. The number of tourists from East Asia increased sluggishly by 8.2%, particularly from China, followed by from Malaysia with a fall of 1.0% according to Ramadan in June as well as tourists from the Middle East. The number of tourists from America, South Asia, and Africa also decreased. Restaurants services increased by 14.7%, higher than the previous quarter as a result of tourism promotion in Songkran Festival and tax deduction measure for promoting domestic tourism and seminars resulting in increasing in Thai tourists. The hotel occupancy rate posted at 58.3%.

Hotels and restaurants services continued to grow.

Number of Foreign Tourists (1,000 Persons)

	2015p1	2015p1				2016p1	
		Q1	Q2	Q3	Q4	Q1	Q2
East-Asian	19,872	4,846	4,988	5,130	4,907	5,798	5,397
European	5,629	1,930	939	1,072	1,688	2,095	1,039
Others	4,380	1,053	1,052	1,106	1,170	1,146	1,117
Total	29,881	7,829	6,979	7,308	7,766	9,039	7,553
Growth Rate (%YoY)	20.4	22.8	36.9	24.9	3.7	15.5	8.2

Source: Department of Tourism, Ministry of Tourism and Sports

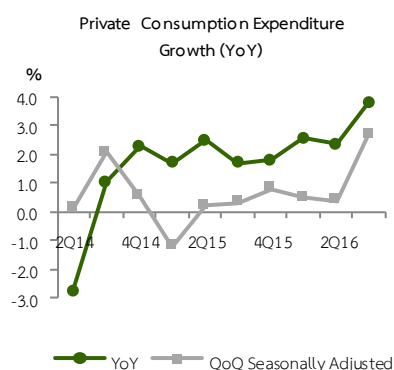
Other community, social and personal service increased by 11.0% compared to 8.4% in the previous quarter due to higher government lottery sales following the new policy allowing for lottery reservation for sales in advance. Moreover, radio and television services, news agency activities, and other services activities continued to grow. Meanwhile, sewerage and waste management, botanical and zoological gardens and other cultural services, sports activities services, hairdressing and other beauty treatment, and funeral and related activities slowed down.

EXPENDITURE APPROACH

Private Consumption Expenditure

Private consumption expenditure in 2016Q2 increased by 3.8% compared to a 2.3% growth of the previous quarter. The deseasonalized figure also showed the expansion of a 1.9% increase from last quarter.

The rapid growth was mainly contributed by higher farm income after the recent rise in prices of major crops and fishery products and a continually falling oil prices. Although inflation picked up, it remained at low level. In this quarter, the amount of new loans granted to household also rose. Besides, a tax deduction scheme for dining and domestic travel over Songkran holiday was also introduced. All of these factors were key drivers of private consumption growth. According to the durability of the purchased products, spending on durable goods, semi-durable goods and net services showed accelerating increase whereas consumption of non-durable goods subsided. Notably, new vehicle purchase started to increase after a prolonged drop for 11 consecutive quarters.



Private consumption expenditure rose by 3.8%, accelerated from the previous quarter.

Private Consumption Expenditure Growth Rate in Real Terms (%YoY)

	2015p1	2015p1				2016p1	
		Q1	Q2	Q3	Q4	Q1	Q2
PCE in domestic market	4.5	5.0	5.5	4.4	3.2	5.4	5.1
<i>less: expenditure of non-residents in the country</i>	20.7	20.8	39.1	22.9	7.7	21.6	14.2
PCE excluding expenditure of non-residents in the country	1.8	2.3	1.3	1.6	2.2	1.8	3.5
<i>plus: expenditure of residents abroad</i>	14.0	15.0	18.8	9.7	12.9	16.1	12.3
PCE	2.1	2.5	1.7	1.8	2.6	2.3	3.8

Private consumption expenditure in the domestic market, excluding non-residents, grew at a faster rate of 3.5% compared to a 1.8% in the previous quarter.

Food and non-alcoholic beverages expanded by 2.0%, lower than 2.8% of the preceding quarter. Food consumption grew by 1.0%, compared to 3.0% in the previous quarter. In particular, the consumption of fishes, oil and fat, fruits, and food products dropped. Meanwhile, consumption of vegetables, sugar and confection grew relatively higher in comparison to previous quarter. Non-alcoholic beverages consumption grew 8.2%, faster than an earlier figure of 1.5%.

Alcoholic beverages, tobacco and narcotics rose by 0.7%, accelerated from the previously increase of 0.4%. Consumption of alcoholic beverages increased by 1.3%, mainly due to a rise of liquor consumption. Nonetheless, both of beer and wine consumption dropped. Yet, tobacco consumption still shrunk by 0.4%, less than an 2.5% drop in the previous quarter.

Housing, water, electricity, gas and other fuels increased 5.6%, decelerated from the earlier increase of 5.0%. Housing and water expenditure increased 4.5%, accelerated from a 3.3% of the previous quarter. The consumption of electricity, gas and other fuels usages increased by 8.1%, less than an earlier figure of 8.8% growth.

Transportation expense increased 9.9% higher than the increase of 5.1% in the previous quarter due to a pick-up in new vehicle purchase by household which turned to increase by 13.1% after a 2.4% drop in the previous quarter. Sales of passenger cars and the number of new registered motorcycles rose by 20.8% and 7.9%, respectively. There was also the evidence of higher sales performance in commercial cars from a less drop of new purchase to only 1.2%, compared to a severe shrunk of 11.9% in the preceding quarter. It was explained by the launch of new models and intensive promotion campaign throughout this quarter. Transportation services payment grew by 7.2% in comparison to a 3.5% rise in the previous quarter as a result of the expansion of air transportation in line with a higher number of Thai outbound travelers .

	2015p1				2016p1	
	Q1	Q2	Q3	Q4	Q1	Q2
Loan of commercial bank^{1/} (Billion of Baht)						
Personal consumption	3,518.6	3,560.2	3,615.8	3,703.6	3,718.8	3,733.7
<i>y-o-y growth (%)</i>	7.5	6.9	6.6	6.1	5.7	6.0
Retail price^{3/} (Baht/Litre)						
ULG	35.4	34.9	34.4	32.7	30.3	32.0
<i>y-o-y growth (%)</i>	-26.9	-28.9	-27.8	-21.8	-14.4	-8.4
GASOHOL	27.3	28.1	26.7	25.4	22.7	24.3
<i>y-o-y growth (%)</i>	-28.6	-27.1	-28.0	-21.7	-16.9	-13.5
HSD	26.3	25.7	23.6	22.6	20.7	23.9
<i>y-o-y growth (%)</i>	-12.3	-14.2	-21.2	-21.9	-21.4	-7.3

Source 1/ Bank of Thailand: EC_MB_033_S2 : Loans of commercial banks by sector (ISIC)

2/ Energy Policy and Planning Office, Ministry of Energy

Communication increased by 1.5%, accelerating from a 0.6% growth of previous quarter as evidenced by higher mobile phone airtime usage and higher revenue paid to service providers.

Restaurants and hotels increase by 9.5%, decelerated from 13.1% in the previous quarter, particularly from a higher expense on hotel services. This was partly due to a sluggish growth in foreign tourist arrivals. Meanwhile, a payment to restaurant services increased after the stimulus package of income tax deduction for dining and hotel expense during the Songkran festival was introduced.

Miscellaneous goods and services increased 3.8%, decelerated from 6.2% previously. Spending on financial services and personal effects slackened down while the expense on personal care increased as compared to the previous quarter.

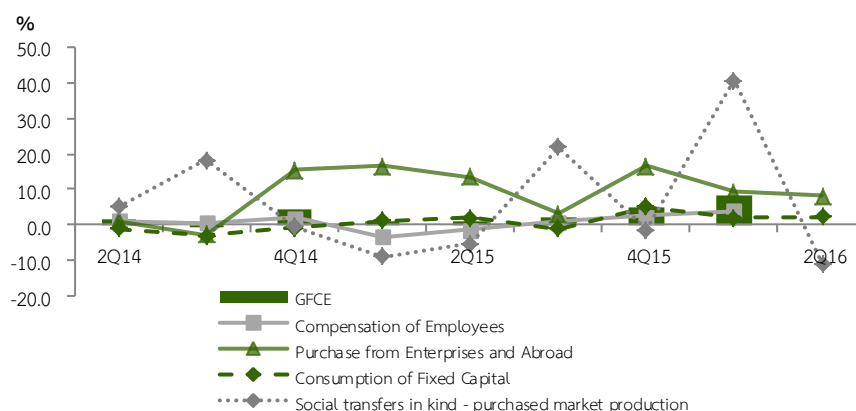
In this quarter, expenditure of resident abroad increased 12.3%, lower than the increase of 16.1% in the previous quarter. Expenditure of non-residents in the country rose by 14.2%, relative to the drastic increase of 21.6% in the previous quarter, representing a slowdown in the number of inbound foreign tourist arrivals.

GFCE increased at slower rate.

General Government Final Consumption Expenditure

In the fiscal year of 2016, the approval budget was recorded at Baht 2,776,000 million, increasing by 7.8% compared to Baht 2,575,000 million in the previous year. The disbursement in 2016Q2 valued at Baht 638,775 million, increasing by 20.7%. Carry-over budget was recorded at Baht 38,999 million, decreased by 2.8%. In addition, disbursement amount from TTK2555 project registered at Baht 279 million. Meanwhile, the expedited water resources management and road transportation system project, and external loans were recorded at Baht 4,266 million and Baht 119 million, respectively. This resulted in total disbursement in 2016Q2 at Baht 682,418 million or increased by 18.3%.

General Government Final Consumption Expenditure Growth (GFCE) (YoY)



General government final consumption expenditure at current market prices was recorded at Baht 596,488 million, increased by 4.1%. In particular, compensation of employees was Baht 319,956 million, increasing by 5.7%. Consumption of fixed capital was Baht 66,301 million, increasing by 3.1%; purchase from enterprises and abroad was Baht 162,251 million, increasing by 7.3%; social transfers in kind - purchased market production was Baht 64,019 million, decreasing by 10.3% partially according to the accelerated disbursement of the capitation payment under the universal coverage health insurance project (30-baht universal healthcare scheme) by National Health Security Fund in previous quarter. Lastly, purchase by households and enterprises was Baht 16,039 million, decreasing by 3.0%.

General government final consumption expenditure in real terms grew by 2.2% as a result of the increase of compensation of employees, purchases from enterprises and abroad, consumption of fixed capital by 2.1%, 8.0%, and 2.3%, respectively. However, social transfer in kind-purchased market production decreased by 11.0%.

Gross Fixed Capital Formation

GFCF in the second quarter rose by 2.7%, slowing down from a 4.9% expansion in the previous quarter. Public and private sector increased by 10.4% and 0.1%, decelerating from a rise of 13.3% and 2.1% respectively in the previous quarter.

Private investment grew slightly by 0.1%, slowing down from a 2.1% growth in the previous quarter.

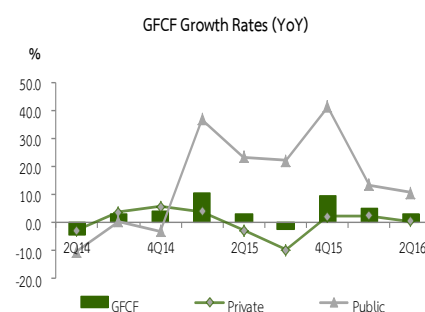
◆ **Private construction** declined by 2.1%, compared to a 7.0% rise in the previous quarter. Such a contraction was attributed by a 0.5% fall of residential buildings, compared to 3.3% increase in the previous quarter. Condominium demand reached its saturation due partly to a high household debt and financial institution was prudent on housing loans, especially on the housing-price group with under 3MB/unit. In addition, the termination of 0.01% transfer-fee reduction scheme ending 28 April 2016 lowered housing demand. As a result, commercial building fell by 4.3%, kept declining from a drop of 0.3% in the previous quarter. Industrial building contracted by 4.0% compared to an expansion of 1.3% in the previous quarter, resulting partly from base effect that the BOI-promoted projects had mainly implemented since last year. However, other constructions expanded in this quarter, partly as a result of the 5MB/sub-district government infrastructure investment projects.

◆ **Private machinery and equipment** rose by 0.7%, slightly slowing down from an expansion of 0.9% in the previous quarter. Such a slowdown was attributed by a 5.8% drop of transport equipment as a result of falling in newly-registered vehicles namely small trucks, trucks, and buses. Meanwhile, office machinery expanded by 7.7% and industrial machinery rose by 3.2%.

Public investment increased by 10.4%, slightly decelerating from a rise of 13.3% in the first quarter as a result of government and state enterprise investment with an expansion rate of 11.5% and 8.2%, respectively.

◆ **Public construction** rose by 15.5%, slowing down from 17.2% in the previous quarter. A substantial expansion was from a 15.8% rise from government construction, consecutively increased from 16.2% in the previous quarter as a result of water resource management project and urgent phrase project for road construction. State enterprise construction grew by 14.7%, slightly decelerating from 19.9% in the previous quarter. The ongoing implemented projects consisted of the generous housing project and residential development project Unit 1 and 2 of the National Housing Authority, the Third Stage Expressway System Northern Section (N2) of the Expressway Authority of Thailand (EXAT), and the electricity distribution system of the Provincial Electricity Authority (PEA).

GFCF slowed down from the previous quarter.



◆ **Public machinery** contracted by 3.2%, compared to an increase of 2.5% in the previous quarter. Reduction was sourced by government machinery item with a decline of 4.2% compared to a 7.9% rise in the previous quarter. Meanwhile, state enterprise machinery slightly contracted by 0.8%, minimally worsened from a 0.2% drop from the previous quarter.

GFCF Growth Rates (%YoY)

	2015p1	2015p1				2016p1	
		Q1	Q2	Q3	Q4	Q1	Q2
Construction	16.4	20.7	13.6	10.0	23.3	12.5	7.2
Private	0.7	1.9	2.8	-0.3	-1.3	7.0	-2.1
Public	33.6	42.1	25.2	20.3	54.1	17.2	15.5
Equipment	-0.7	5.6	-2.6	-9.2	3.6	1.0	0.3
Private	-2.7	4.1	-4.7	-13.0	2.7	0.9	0.7
Public	20.1	22.1	18.1	26.2	13.6	2.5	-3.2
Total GFCF	4.7	10.3	2.6	-2.6	9.4	4.9	2.7
Private	-2.0	3.7	-3.1	-10.1	1.9	2.1	0.1
Public	29.8	36.6	23.2	21.9	41.2	13.3	10.4

Change in Inventories

Change in inventories at current prices valued at 131,344 million baht as inventories decreased from the previous quarter. In 2016Q2, private consumption expenditure and overall production expanded meanwhile general government final consumption expenditure, investment, and exports increased at slower rate. On the contrary, imports contracted. Stocks of agricultural and manufacturing goods decreased. Stocks of paddy declined because of the off-harvest season. At the same time, rice mills continued their operation using previously stocked paddy. Stocks of manufacturing goods that decreased included rubber and plastic products, wearing apparels, and chemicals and chemical products. Particularly, stock of rubber decreased as a consequence of lower domestic production and slight increase in exports as the major importer, the United States, imported slightly higher due to an expansion in motor vehicle production. In addition, stocks of gold also reduced as a result of higher exports in response to hiking global gold price. The increasing stock of manufacturing goods was seen in electrical appliances, and fabricated metal products. In consequence, change in inventories overall trended downward.

External Sectors

Merchandise exports reduced by 2.5%. It was mainly caused by a reduction of exports in agricultural products, especially rice exports. In this quarter, exports of rice to the Philippines under the government-to-government contract came to the end. Exports of tapioca also dropped from the influence of base effect after irregularly high demand from China to produce ethanol in the previous year. In addition, export volume of manufacturing product also decreased, particularly electronic products, pickups and trucks, petro-chemical and petroleum products. Nevertheless, there was growth in exports of some major manufacturing products. In particular, the exports of air conditioners to Vietnam that experienced a boom in real estate. Likewise, export demand for vehicle to Australia and the Philippines also increased. Meanwhile, fishery exports significantly increased from a recovery of shrimp exports after the plague in shrimp aquaculture had been resolved, specifically a jump of shrimp exports to the U.S.

Merchandise imports decreased by 2.7%, improving from a greater decline of 7.1% in the previous quarter. This was mainly due to higher demand for raw material and intermediate goods, particularly, imports of metal and parts of electronics and electrical appliances in line with a recovery in manufacturing production and export demand. However, imports volume of crude oil decreased after the refinery maintenance shutdown. Nonetheless, import demand for refined oil products rose instead. Imports of consumer goods increased, mainly meat and fishery products as well as textiles. However, imports of capital goods decreased due to the base effect from a relatively higher value import of locomotive and aircrafts in the same quarter of previous year.

Services receipts rose by 12.1%, less than 18.2% increase in 2016Q1. This was influenced by deceleration in the numbers of tourist arrivals from almost all regions. However, freight and other business services receipts increased.

Services payments fell by 0.7% as a consequence of lower freight payment accompanied with a reduction in international trade. In addition, other business service and intellectual property payments also dropped. However, travel service payment increased aligned with higher outbound Thai travelers.

Exports of goods and services decelerated, while total imports decreased.

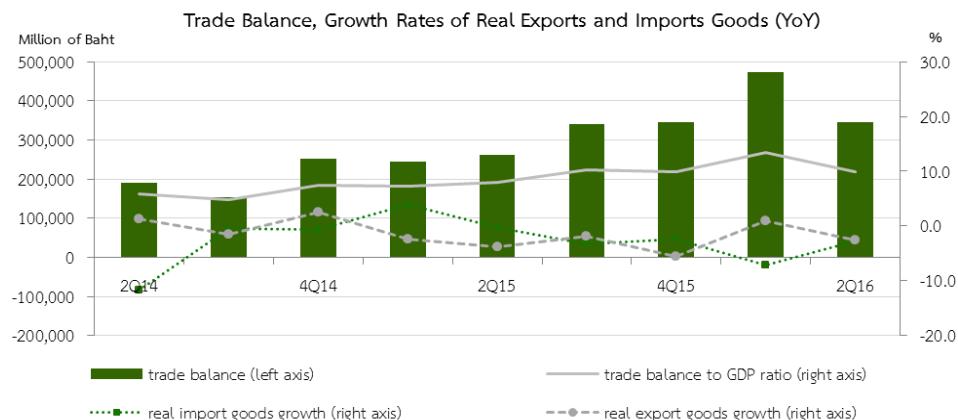


Table 1 Gross Domestic Product at Current Prices

Unit: Millions of Baht

	2015p1	2015p1						2016p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
Private Final Consumption Expenditure	6,978,168	1,684,203	1,778,695	3,462,898	1,771,020	1,744,250	3,515,270	1,714,746	1,861,373	3,576,119
General Government Final Consumption Expenditure	2,334,012	530,412	572,944	1,103,356	641,169	589,487	1,230,656	585,825	596,488	1,182,313
Gross Fixed Capital Formation	3,374,980	847,186	851,441	1,698,627	796,432	879,921	1,676,353	899,727	879,101	1,778,828
Change in Inventories	-110,611	36,839	-96,156	-59,317	-80,929	29,635	-51,294	-166,670	-131,344	-298,014
Exports of Goods and Services	9,346,174	2,274,024	2,222,267	4,496,291	2,404,587	2,445,296	4,849,883	2,505,188	2,331,982	4,837,170
- Goods	7,265,569	1,729,690	1,752,145	3,481,835	1,911,365	1,872,369	3,783,734	1,862,425	1,800,771	3,663,196
- Services	2,080,605	544,334	470,122	1,014,456	493,222	572,927	1,066,149	642,763	531,211	1,173,974
Imports of Goods and Services	7,814,591	1,904,440	1,931,691	3,836,131	2,004,817	1,973,643	3,978,460	1,826,403	1,897,843	3,724,246
- Goods	6,073,947	1,485,593	1,489,858	2,975,451	1,571,396	1,527,100	3,098,496	1,389,100	1,456,678	2,845,778
- Services	1,740,644	418,847	441,833	860,680	433,421	446,543	879,964	437,303	441,165	878,468
Expenditure Side	14,108,132	3,468,224	3,397,500	6,865,724	3,527,462	3,714,946	7,242,408	3,712,413	3,639,757	7,352,170
Statistical Discrepancy	-574,536	-66,607	-93,156	-159,763	-195,822	-218,951	-414,773	-177,954	-170,035	-347,989
Production Side	13,533,596	3,401,617	3,304,344	6,705,961	3,331,640	3,495,995	6,827,635	3,534,459	3,469,722	7,004,181

Table 2 Real Gross Domestic Product Growth (YOY)

Unit: Percent

	2015p1	2015p1						2016p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
Private Final Consumption Expenditure	2.1	2.5	1.7	2.1	1.8	2.6	2.2	2.3	3.8	3.1
General Government Final Consumption Expenditure	2.2	0.7	1.0	0.9	2.3	4.8	3.4	8.0	2.2	5.0
Gross Fixed Capital Formation	4.7	10.3	2.6	6.3	-2.6	9.4	3.2	4.9	2.7	3.8
Change in Inventories	-17.9	-20.7	-3.9	-28.8	-20.8	54.1	-7.4	-546.7	-34.9	-396.0
Exports of Goods and Services	0.2	1.2	1.5	1.3	1.7	-3.3	-0.9	4.9	0.6	2.8
- Goods	-3.4	-2.5	-3.9	-3.2	-1.8	-5.6	-3.7	1.0	-2.5	-0.8
- Services	14.9	15.4	27.3	20.6	16.5	4.9	10.0	18.2	12.1	15.4
Imports of Goods and Services	-0.4	2.3	0.2	1.3	-2.6	-1.2	-1.9	-4.7	-2.2	-3.5
- Goods	-0.6	3.9	-0.4	1.7	-3.3	-2.3	-2.8	-7.1	-2.7	-4.9
- Services	0.6	-3.2	2.3	-0.5	0.1	3.4	1.7	3.9	-0.7	1.6
Gross Domestic Product (GDP)	2.8	3.0	2.7	2.8	2.9	2.8	2.8	3.2	3.5	3.4

Table 3 Real Gross Domestic Product Growth on Production Side (YOY)

Unit: Percent

	2015p1	2015p1						2016p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
Agriculture	-3.8	-4.6	-4.1	-4.4	-5.5	-2.1	-3.3	-1.4	-0.1	-0.8
Agriculture, Hunting and Forestry	-4.3	-5.3	-4.2	-4.8	-5.5	-2.9	-3.9	-2.4	-1.2	-1.9
Fishing	2.1	2.2	-1.5	0.7	-3.1	6.5	3.4	9.1	13.2	10.8
Non-Agriculture	3.6	3.9	3.2	3.6	3.2	4.0	3.6	3.7	3.7	3.7
Mining and Quarrying	1.3	0.1	-1.4	-0.7	2.4	4.0	3.2	4.7	1.4	3.0
Manufacturing	0.9	2.2	-0.2	1.0	1.0	0.8	0.9	-0.2	2.0	0.9
Electricity, Gas and Water Supply	4.1	3.7	2.8	3.2	4.8	5.2	5.0	7.7	6.9	7.3
Construction	15.8	19.6	12.5	15.8	9.4	23.9	15.8	11.2	7.5	9.3
Wholesale and retail trade; repair of motor	4.3	4.1	3.7	3.9	4.1	5.5	4.8	5.0	5.4	5.2
Hotels and Restaurants	14.0	18.0	22.1	20.0	12.7	5.0	8.6	15.8	12.7	14.3
Transport, Storage and Communications	7.4	8.1	9.7	8.9	6.7	5.2	5.9	5.6	4.2	4.9
Financial Intermediation	7.1	8.0	7.7	7.9	5.9	6.8	6.3	4.3	4.5	4.4
Real Estate, Renting and Business Activities	3.8	4.5	2.2	3.4	3.1	5.4	4.3	3.3	2.3	2.8
Public Administration and Defence;	-0.8	-2.8	-1.4	-2.1	0.0	1.1	0.6	1.3	0.4	0.9
Education	-2.8	-5.8	-4.0	-4.9	-3.9	2.6	-0.8	0.5	-1.5	-0.5
Health and Social Work	1.9	-0.8	0.9	0.0	3.0	4.6	3.8	4.9	4.7	4.8
Other Community, Social and Personal Services Activities	4.9	2.9	5.4	4.1	6.1	5.2	5.7	8.4	11.0	9.7
Private Households with Employed Persons	0.3	-2.3	-0.9	-1.6	-0.6	5.3	2.3	1.8	0.4	1.1
Gross Domestic Product (GDP)	2.8	3.0	2.7	2.8	2.9	2.8	2.8	3.2	3.5	3.4

Table 4. Real Growth Rate on Production Side and Expenditure Side (QoQ Seasonally Adjusted)

Unit: Percent

	2015p1				2016p1	
	Q1	Q2	Q3	Q4	Q1	Q2
Gross Domestic Expenditure						
Private Final Consumption Expenditure	1.1	0.6	0.8	0.1	0.9	1.9
General Government Final Consumption Expenditure	-2.7	2.1	1.1	4.1	0.6	-3.6
Gross Fixed Capital Formation	6.0	-2.3	-1.7	7.5	1.4	-4.0
Exports of Goods and Services	-4.0	0.7	-0.8	0.5	4.5	-3.3
Imports of Goods and Services	0.4	-1.7	0.2	-0.2	-2.8	0.8
Gross Domestic Product						
Agriculture	-2.2	0.4	-3.7	4.6	-1.0	1.9
Manufacturing	0.3	-1.0	1.2	0.1	-0.5	1.2
Wholesale and retail trade; repair of motor	1.2	0.4	1.4	2.2	0.9	1.0
Financial Intermediation	2.1	1.5	0.7	2.3	-0.2	1.7
Gross Domestic Product (GDP)	0.5	0.5	0.9	0.8	1.0	0.8

Table 5. Goods and Services Balance at Current Prices.

Unit: Millions of Baht

	2015p1	2015p1						2016p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
Exports of Goods and Services	9,346,174	2,274,024	2,222,267	4,496,291	2,404,587	2,445,296	4,849,883	2,505,188	2,331,982	4,837,170
<i>Growth Rate (%)</i>	2.7	-0.1	2.1	0.9	7.1	1.9	4.4	10.2	4.9	7.6
Imports of Goods and Services	7,814,591	1,904,440	1,931,691	3,836,131	2,004,817	1,973,643	3,978,460	1,826,403	1,897,843	3,724,246
<i>Growth Rate (%)</i>	-5.0	-6.5	-5.8	-6.1	-4.9	-3.1	-4.0	-4.1	-1.8	-2.9
Goods and Services Balance	1,531,583	369,584	290,576	660,160	399,770	471,653	871,423	678,785	434,139	1,112,924
Percentage to GDP (%)	46.6	10.9	8.8	9.8	12.0	13.5	12.8	19.2	12.5	15.9
Primary Income,	-679,754	-153,987	-147,753	-301,739	-208,363	-169,651	-378,014	-149,834	-202,911	-352,746
Secondary Income,	246,635	59,881	60,939	120,819	62,844	62,972	125,816	61,669	64,087	125,756
Current Account	1,098,466	275,479	203,762	364,974	254,251	364,974	364,974	590,619	295,314	364,974
Percentage to GDP	33.4	8.1	6.2	5.4	7.6	10.4	5.3	16.7	8.5	5.2

Table 6 Growth Rate of GDP Deflator, CPI, PPI (YoY)

Unit: Percent

	2015p1	2015p1						2016p1		
		Q1	Q2	H1	Q3	Q4	H2	Q1	Q2	H1
GDP Deflator	0.2	-0.1	-0.1	-0.1	0.4	0.6	0.5	0.6	1.5	1.1
CPI	-0.9	-0.5	-1.1	-0.8	-1.1	-0.9	-1.0	-0.5	0.3	-0.1
PPI	-4.1	-5.0	-4.6	-4.8	-3.7	-3.0	-3.4	-2.7	-1.5	-2.1

Revision Policy

QGDP figures are subject to 2 types of revisions:

- 1) First Revision: At the time of producing the most recent quarter, figures in the previous quarter are revised as more complete and accurate information is available. The letter “r” is shown on the quarter where the revision has been made.
- 2) Second Revision: When compiling the annual GDP figures – usually at a time of producing statistics of GDP of the third quarter – annual figures are revised back 2 years prior to the reference year. Along with such revision, annual figures are redistributed across all quarters within a year so that the statistics of 4 quarters added up to be equal to annual total. There is no changes in indicators as the office applies Denton Least Square Technique, using computer program called “The Canadian Bench Program and Extrapolation (Bench Program)” in the redistribution process. The letter “r” is shown on the years where the revision has been made.

Abbreviation

There are 3 letter assigns to the tables: r, p and p1. Letter “r” is assigned to 2 cases as stated above. Letter “p” is assigned to quarterly figures based on preliminary annual figures. And letter “p1” is assigned to quarterly figures without preliminary annual figures.

Data Dissemination of Quarterly Gross Domestic Product (QGDP) according to SDDS

The Office of the National Economic and Social Development Board (NESDB) is responsible for compiling and disseminating GDP statistics, both quarterly and annually. Data-collection and compilation methods used to compile GDP statistics follow internationally-accepted System of National Accounts set forth by the United Nations. Detailed concepts, definitions and methodology are explained and published under title “Quarterly GDP Compilation Methodology.”

Quarterly GDP has also met Special Data Dissemination Standard of the IMF, which is to release quarterly figures within 3 months after the end of reference quarter. The NESDB had been able to speed up the compilation process to meet users’ demand by releasing data on the third Monday of the second months following the reference quarter (8 weeks). The data is available for all users via 3 channels: (1) press release (2) hard copy and (3) NESDB website, which is www.nesdb.go.th. The data can be accessed at the same time, normally at 9.30 am of the date previously informed. The website is also linked to the IMF’s SDDS page at

<http://dsbb.imf.org/Pages/SDDS/CtyCtgList.aspx?ctycode=THA>

In addition, 1-year advance-release calendar is also available on the back of this book.

Any reproduction of data and materials in this book must refer to
NESDB as data source

FORTHCOMING RELEASES

SEPTEMBER 2016	OCTOBER 2016	NOVEMBER 2016	DECEMBER 2016
	31 National Income of Thailand 2015 (statistic tables on internet) 31 Capital Stock of Thailand 2015 (publication)	21 GDP : Q3/2016 (press release, publication, internet) (9:30 a.m. local time)	30 National Income of Thailand 2015 (publication) 30 Gross Regional and Provincial Products 2015 (statistic tables on internet)
JANUARY 2017	FEBRUARY 2017	MARCH 2017	APRIL 2017
	17 Flow-of-Funds Accounts of Thailand 2015 (statistic tables on internet) 20 GDP : Q4/2016 (press release, publication, internet) (9:30 a.m. local time) 28 Gross Regional and Provincial Products 2015 (publication)		21 Flow-of-Funds Accounts of Thailand 2015 (publication)
MAY 2017	JUNE 2017	JULY 2017	AUGUST 2017
15 GDP : Q1/2017 (press release, publication, internet) (9:30 a.m. local time)		31 Capital Stock of Thailand 2015 (statistic tables on internet)	21 GDP : Q2/2017 (press release, publication, internet) (9:30 a.m. local time)

วัน เวลา และสถานที่ออกรายงาน >>

วันจันทร์ที่ 15 สิงหาคม 2559 เวลา 9:30 น.
สำนักงานคณะกรรมการพัฒนาการเศรษฐกิจและสังคมแห่งชาติ
962 ถนนกรุงเกษม เขตป้อมปราบฯ กทม. 10100

Embargo and venue >>

9:30 a.m. Monday, August 15, 2016
Office of the National Economic and Social Development Board, 962 Krung Kasem Rd., Pomprab, Bangkok 10100

กำหนดการออกรายงาน

ผลิตภัณฑ์มวลรวมในประเทศ ไตรมาสที่ 3/2559

วันจันทร์ที่ 21 พฤศจิกายน 2559 เวลา 9:30 น.

Forthcoming issues;

The 3rd quarter 2016 GDP

9:30 a.m. Monday, November 21, 2016

ผู้ประสานงาน / Contact persons

หากต้องการทราบรายละเอียดเพิ่มเติม กรุณาสอบถามได้ที่ e-mails ด้านล่าง หรือ โทร. 0-2280-4085

For further information, please contact us via e-mails or call 0-2280-4085 with following extension numbers:

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